

2024

ANNUAL REPORT



OCEANEERING®

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K/A

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

For the fiscal year ended December 31, 2024

OR

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

For the transition period from _____ to _____

Commission File Number: 1-10945

OCEANEERING INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)



Delaware

(State or other jurisdiction of
incorporation or organization)

5875 North Sam Houston Parkway West, Suite 400

Houston, Texas

(Address of principal executive offices)

95-2628227

(I.R.S. Employer
Identification No.)

77086

(Zip Code)

(713) 329-4500

(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 exchange on which registered
Common stock, par value \$0.25 per share	OII	New York Stock Exchange

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

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
		Emerging Growth Company	<input type="checkbox"/>

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 company has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report).

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

Aggregate market value of the voting stock held by nonaffiliates of the registrant computed by reference to the closing price of \$23.66 of the Common Stock on the New York Stock Exchange as of June 30, 2024, the last business day of the registrant's most recently completed second quarter: \$2.4 billion.

Number of shares of Common Stock outstanding as of February 14, 2025: 100,660,997.

Documents Incorporated by Reference:

None.

EXPLANATORY NOTE

Oceaneering International, Inc. (the "Company") is filing this Amendment No. 1 on Form 10-K/A (this "Form 10-K/A") to amend its Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as originally filed with the U.S. Securities and Exchange Commission (the "SEC") on February 24, 2025 (the "Original Form 10-K"), solely for the purpose of correcting the number of shares of Common Stock outstanding as of February 14, 2025. Accordingly, this Form 10-K/A consists solely of the cover page, this Explanatory Note and the Exhibit Index and the exhibits filed hereto or incorporated by reference herein.

Pursuant to Rule 12b-15 under the Securities Exchange Act of 1934, as amended, this Form 10-K/A also contains new certifications by the principal executive officer and the principal financial officer as required by Section 302 of the Sarbanes-Oxley Act of 2002. Accordingly, Item 15(a)(3) of Part IV is amended to include the currently dated certifications as exhibits. Because this Form 10-K/A does not contain or amend any disclosure with respect to Items 307 and 308 of Regulation S-K, paragraphs 3, 4 and 5 of the certifications have been omitted. Additionally, because this Form 10-K/A does not include financial statements, the Company is not including certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Except as expressly noted in this Form 10-K/A, this Form 10-K/A does not reflect events occurring after the original filing of the Original Form 10-K or modify or update in any way any of the other disclosures contained in the Original Form 10-K, including, without limitation, the financial statements or other financial information included therein or the exhibits thereto. Information not affected by this Form 10-K/A remains unchanged and reflects the disclosures made at the time the Original Form 10-K was made. Accordingly, this Form 10-K/A should be read in conjunction with the Original Form 10-K and the Company's other filings with the SEC.

Part IV

Item 15. Exhibits, Financial Statement Schedules.

(a)(1) and (2)

The financial statements and financial statement schedule of the Company are not included in this Form 10-K/A. See Part II, Item 8 of the Original Form 10-K.

3. Exhibits:

Exhibit Index

		Registration or File Number	Form of Report	Report Date	Exhibit Number	
*	3.01	Restated Certificate of Incorporation	1-10945	10-K	Dec. 2000	3.01
*	3.02	Certificate of Amendment to Restated Certificate of Incorporation	1-10945	8-K	May 2008	3.1
*	3.03	Certificate of Amendment to Restated Certificate of Incorporation	1-10945	8-K	May 2014	3.1
*	3.04	Amended and Restated Bylaws	1-10945	8-K	Nov. 2022	3.01
‡	4.01	Description of Common Stock				
*	4.02	Specimen of Common Stock Certificate	1-10945	10-Q	Sep. 2018	4.3
*	4.03	Indenture dated, November 21, 2014, between Oceaneering International, Inc. and Wells Fargo Bank, National Association, as Trustee, relating to senior debt securities of Oceaneering International, Inc.	1-10945	8-K	Nov. 2014	4.1
*	4.04	Second Supplemental Indenture, dated February 6, 2018, between Oceaneering International, Inc. and Wells Fargo Bank, National Association, as Trustee, providing for the issuance of Oceaneering International, Inc.'s 6.000% Senior Notes due 2028 (including Form of Notes)	1-10945	8-K	Feb. 2018	4.2
*	4.05	Third Supplemental Indenture, dated October 2, 2023, between Oceaneering International, Inc. and Computershare Trust Company, N.A., as trustee, with respect to 6.000% Senior Notes due 2028	1-10945	8-K	Oct. 2023	4.3

We and certain of our consolidated subsidiaries are parties to debt instruments under which the total amount of securities authorized does not exceed 10% of our total consolidated assets. Pursuant to paragraph 4(iii)(A) of Item 601(b) of Regulation S-K, we agree to furnish a copy of those instruments to the Securities and Exchange Commission on request.

*	10.01 +	Amended and Restated Service Agreement dated as of December 21, 2006 between Oceaneering and John R. Huff	1-10945	8-K	Dec. 2006	10.1
*	10.02 +	Modification to Service Agreement dated as of December 21, 2006 between Oceaneering and John R. Huff	1-10945	8-K	Dec. 2008	10.9
*	10.03 +	Trust Agreement dated as of May 12, 2006 between Oceaneering and United Trust Company, National Association (the "Huff Trust Agreement")	1-10945	8-K	May 2006	10.2
*	10.04 +	First Amendment to Huff Trust Agreement dated as of May 12, 2006 between Oceaneering International, Inc. and Bank of America National Association, as successor trustee	1-10945	8-K	Dec. 2008	10.10

*	10.05 + Second Amendment to Huff Trust Agreement dated as of May 12, 2006 between Oceaneering International, Inc. and Evercore Trust Company, National Association, as successor trustee	1-10945	10-K	Dec. 2018	10.33
*	10.06 + Third Amendment to Huff Trust Agreement dated as of May 12, 2006 between Oceaneering International, Inc. and Newport Trust Company, as successor trustee	1-10945	10-K	Dec. 2018	10.34
*	10.07 + Oceaneering International, Inc. Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009	1-10945	8-K	Dec. 2008	10.5
*	10.08 + Amended and Restated Oceaneering International, Inc. Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2000 (for Internal Revenue Code Section 409A-grandfathered benefits)	1-10945	8-K	Dec. 2008	10.6
*	10.09 + Form of Change-of-Control Agreement and Annex for Roderick A. Larson	1-10945	8-K	Aug. 2015	10.3
*	10.10 + Form of Change-of-Control Agreement	1-10945	8-K	May 2011	10.5
*	10.11 + Form of Indemnification Agreement	1-10945	8-K	May 2011	10.4
*	10.12 + Oceaneering International, Inc. Retirement Investment Plan, amended and restated with effective January 1, 2019	1-10945	10-K	Dec. 2018	10.31
*	10.13 + Amendment No. 1 to Amended and Restated Oceaneering International, Inc. Retirement Investment Plan	1-10945	10-K	Dec. 2020	10.18
*	10.14 + Amendment No. 2 to Amended and Restated Oceaneering International, Inc. Retirement Investment Plan	1-10945	10-K	Dec. 2020	10.19
*	10.15 + Amendment No. 3 to Amended and Restated Oceaneering International, Inc. Retirement Investment Plan	1-10945	10-Q	Jun. 2021	10.01
*	10.16 + Oceaneering Retirement Investment Plan Trust Agreement with Fidelity Management Trust Company effective January 1, 2019	1-10945	10-K	Dec. 2018	10.35
*	10.17 + Change of Control Plan and Form of Participation Agreement	1-10945	10-K	Dec. 2018	10.32
*	10.18 Credit Agreement, dated as of April 8, 2022, among Oceaneering International, Inc., as borrower, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent.	1-10945	8-K	Apr. 2022	10.1
*	10.19 Agreement and Amendment No. 1 to Credit Agreement, dated as of September 20, 2023, among Oceaneering International, Inc., as borrower, the guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent	1-10945	8-K	Sept. 2023	10.1
*	10.20 + Form of 2022 Restricted Stock Unit Agreement	1-10945	8-K	Mar. 2022	10.1
*	10.21 + Form of 2022 Performance Unit Agreement	1-10945	8-K	Mar. 2022	10.2
*	10.22 + 2020 Incentive Plan	333-238325	S-8	May 2020	4.06
*	10.23 + Form Restricted Stock Unit Agreement	1-10945	8-K	Feb. 2023	10.1
*	10.24 + Form Performance Unit Agreement	1-10945	8-K	Feb. 2023	10.2
*	10.25 + Form Nonemployee Director Restricted Stock Agreement	1-10945	8-K	Feb. 2023	10.3
*	10.26 + 2024 Annual Cash Bonus Award Program Summary	1-10945	10-Q	Apr. 2026	10.01
‡	19 Oceaneering International, Inc. Insider Trading Policy				

- ‡ 21.01 Subsidiaries of Oceaneering
- ‡ 23.01 Consent of Independent Registered Public Accounting Firm
- 31.01 Rule 13a – 14(a)/15d – 14(a) certification of principal executive officer
- 31.02 Rule 13a – 14(a)/15d – 14(a) certification of principal financial officer
- ‡ 32.01 Section 1350 certification of principal executive officer
- ‡ 32.02 Section 1350 certification of principal financial officer
- ‡ 97.01 + Oceaneering International, Inc. Policy for the Recovery of Erroneously Awarded Compensation
- 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)

* Exhibit previously filed with the Securities and Exchange Commission, as indicated, and incorporated herein by reference.

+ Management contract or compensatory plan or arrangement.

‡ Previously filed or furnished with the Original Form 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

OCEANEERING INTERNATIONAL, INC.

Date: March 3, 2025

By: /S/ RODERICK A. LARSON
 Roderick A. Larson
 President and Chief Executive Officer and Director

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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Commission File Number: 1-10945

OCEANEERING INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)



Delaware

(State or other jurisdiction of
incorporation or organization)

5875 North Sam Houston Parkway West, Suite 400

Houston, Texas

(Address of principal executive offices)

95-2628227

(I.R.S. Employer
Identification No.)

77086

(Zip Code)

(713) 329-4500

(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 exchange on which registered
Common stock, par value \$0.25 per share	OII	New York Stock Exchange

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

None

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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

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

Aggregate market value of the voting stock held by nonaffiliates of the registrant computed by reference to the closing price of \$23.66 of the Common Stock on the New York Stock Exchange as of June 30, 2024, the last business day of the registrant's most recently completed second quarter: \$2.4 billion.

Number of shares of Common Stock outstanding as of February 14, 2025: 110,834,088.

Documents Incorporated by Reference:

Portions of the proxy statement relating to the registrant's 2025 annual meeting of shareholders, to be filed within 120 days of December 31, 2024 pursuant to Regulation 14A of the Securities Exchange Act of 1934, are incorporated by reference to the extent set forth in Part III, Items 10-14 of this report.

Oceaneering International, Inc.

Form 10-K

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PART I

Item 1. Business.

GENERAL DEVELOPMENT OF BUSINESS

Oceaneering International, Inc. (“Oceaneering,” “we,” “us” or “our”) is a global technology company delivering engineered services and products and robotic solutions to the offshore energy, defense, aerospace, manufacturing and entertainment industries. Oceaneering was organized as a Delaware corporation in 1969 out of the combination of three diving service companies founded in the early 1960s. Since our establishment, we have concentrated on the development and marketing of underwater services and products to meet customer needs requiring the use of advanced technology. The continued evolution of applying our advanced technologies has expanded our presence into numerous adjacent markets focused on autonomous robotics. We believe we are one of the world's largest underwater services contractors. The services and products we provide to the energy industry include remotely operated vehicles, survey and positioning services, specialty subsea hardware, engineering and project management, subsea intervention services, including manned diving and asset integrity and non-destructive testing services. Our foreign operations, principally in Africa, United Kingdom (“U.K.”), Norway, Brazil and Asia and Australia accounted for approximately 58% of our revenue, or \$1.5 billion, for the year ended December 31, 2024.

We operate in five business segments. Our segments are contained within two businesses—services and products provided primarily to the oil and gas industry, and to a lesser extent, the mobility solutions and offshore renewables industries, among others (“Energy”), and services and products provided to non-energy industries (“Aerospace and Defense Technologies”). Our four segments within the Energy business are Subsea Robotics, Manufactured Products, Offshore Projects Group and Integrity Management & Digital Solutions. We report our non-energy business, Aerospace and Defense Technologies, as one segment. Unallocated Expenses are expenses not associated with a specific business segment. These consist of expenses related to our incentive and deferred compensation plans, including restricted stock and bonuses, as well as other general expenses, including corporate administrative expenses.

We intend to continue our strategy of acquiring, as opportunities arise, additional assets or businesses, to improve our market position or expand into related service and product lines. In October 2024, we acquired Global Design Innovation Ltd. (“GDI”), a U.K.-based provider of digital and software services, for approximately \$33 million. This acquisition is a key step in Oceaneering’s strategy to advance its digital capabilities and broaden the solutions available to our global customers.

We continue to focus on generating significant free cash flow and spending capital prudently to leverage our core competencies in new and existing markets. We will continue to develop and deliver technologies to help our customers produce hydrocarbons in a cleaner, safer and more cost-effective manner while increasing our investments into new markets including energy transition, mobility solutions, digital asset management, and aerospace and defense solutions.

Energy. The primary focus of our Energy business is to continue driving the positive momentum associated with the operational efficiency programs that leverage our asset base and capabilities for providing services and products for offshore energy operations and subsea completions. These efforts continue to benefit us during the current upstream spending cycle that is consistent with the ongoing global demand for energy. We are also focused on deploying our capabilities to grow our business in integrity management, survey services, mobile robotics, offshore wind installations, nuclear and other clean energy solutions.

Subsea Robotics. Our Subsea Robotics segment consists of our remotely operated vehicles (“ROVs”), survey services and ROV tooling businesses. We provide ROVs, which are tethered submersible vehicles remotely operated from the surface, to customers in the offshore energy industry for drill support and vessel-based services, including subsea hardware installation, construction, pipeline inspection, survey and facilities inspection, maintenance and repair (“IMR”). We design, build, retrofit and upgrade our new and existing ROVs at in-house facilities, the largest of which is in Morgan City, Louisiana. In 2024, we retired eight of our conventional work-class ROV systems and replaced them with eight upgraded conventional work-class ROV systems.

Our work-class ROV fleet size was 250 as of December 31, 2024, 2023 and 2022 and included six Isurus™ work-class ROV systems (which are capable of operating in high-current conditions and are ideal for renewables projects and high-speed surveys) and our battery-operated *Liberty* electric ROV (“E-ROV”) system, which we developed to

address customer objectives regarding cost efficiencies, safety, personnel shortages and environmental considerations. The E-ROV system allows our customers to reduce carbon dioxide and other “greenhouse gas” (“GHG”) emissions associated with offshore production operations. This system does not require a dedicated vessel to be on standby during ROV operations and reduces the need for ROV and other vessel-based personnel to be transported to and from marine vessels and offshore platforms, making the system more cost-efficient and safer for our customers. Additionally, we offer *Freedom*, a hybrid autonomous underwater vehicle (“AUV”) and ROV that can complete surveys, commissioning, inspections, maintenance, and repairs without the need for a pilot to monitor and control the entire operation. *Freedom* combines the data resolution and completeness of coverage in a single pass usually only obtainable using an ROV, but with the speed and efficiency of a traditional AUV. We intend to continue to expand our remote service offerings in this segment given the potentially significant savings both financially and in CO₂ emissions available from *Freedom*, *Liberty* and *Isurus*TM systems.

Manufactured Products. Our Manufactured Products segment provides distribution systems, such as production control umbilicals and connection systems made up of specialty subsea hardware, along with clamp connectors and subsea and topside control valves. We also provide turnkey solutions that include project management, engineering design, fabrication, assembly and installation of autonomous mobile robotic technology to industrial, manufacturing, healthcare and warehousing markets.

We provide various types of subsea umbilicals through our Umbilical Solutions division from facilities in the United States, Scotland and Brazil. Offshore operators use umbilicals to control subsea wellhead hydrocarbon flow rates, monitor downhole and wellhead conditions and perform chemical injection. Subsea umbilicals are also used to provide power and fluids to other subsea processing hardware, including pumps and gas separation equipment.

Offshore Projects Group. Our Offshore Projects Group (“OPG”) segment provides a broad portfolio of integrated subsea project capabilities and solutions as follows:

- subsea installation and intervention, including riserless light well intervention (“RLWI”) services, IMR services, principally in the United States (“U.S.”) Gulf of Mexico and offshore Angola, utilizing owned and chartered vessels;
- installation and workover control systems (“IWOCS”) and ROV workover control systems (“RWOCS”);
- diving services;
- decommissioning services;
- project management and engineering; and
- drill pipe riser services and systems and wellhead load relief solutions.

Our OPG segment provides vessel-based services principally in the U.S. Gulf of Mexico and offshore Angola, utilizing a fleet consisting of three owned and six chartered dynamically positioned deepwater vessels with integrated high-specification work-class ROVs onboard, and one owned survey vessel, other spot-chartered vessels and other assets. Our owned vessels are Jones Act-compliant. The dynamically positioned vessels are equipped with thrusters that allow them to maintain a constant position at a location without the use of anchors. They are used in the IMR of subsea facilities, pipeline or flowline tie-ins, pipeline crossings and installations. These vessels can also carry and install equipment or umbilicals required to bring subsea well completions into production (tie-back to production facilities).

Integrity Management & Digital Solutions. Our Integrity Management & Digital Solutions (“IMDS”) segment provides asset integrity management, corrosion management, inspection and nondestructive testing services, principally to customers in the oil and gas, power generation and petrochemical industries. We perform these services on both onshore and offshore facilities, both topside and subsea. We also provide software, digital and connectivity solutions for the energy industry.

Aerospace and Defense Technologies. Our Aerospace and Defense Technologies (“ADTech”) segment provides services and products, including engineering and related manufacturing in defense and space exploration activities, principally to U.S. government agencies and their prime contractors. Many of the services and products utilized in ADTech are applied technologies based on our core competencies and knowledge derived from decades of working in the offshore markets and solving complex problems in harsh environments.

DESCRIPTION OF BUSINESS

Energy

Our Energy business consists of the Subsea Robotics, Manufactured Products, Offshore Projects Group and Integrity Management & Digital Solutions segments. Our Energy business focuses on driving the positive momentum from our operational efficiency programs that leverage our asset base and capabilities for providing services and products for offshore energy operations and subsea completions. These efforts continue to benefit us during the current upstream spending cycle that is consistent with the ongoing global demand for energy. We also are focused on deploying our capabilities to grow business in mobile robotics, offshore wind installations, nuclear, and other clean energy solutions.

Subsea Robotics. ROVs are tethered submersible vehicles remotely operated from the surface. We use our ROVs in the offshore energy industry to perform a variety of underwater tasks, including drill support, vessel-based IMR, installation and construction support, pipeline inspection and surveys, and subsea production facility operation and maintenance. Work-class ROVs are outfitted with manipulators, sonar and video cameras, and can operate specialized tooling packages and other equipment or features to facilitate the performance of specific underwater tasks. As of December 31, 2024, we owned 250 work-class ROVs. We believe we own and operate the largest fleet of work-class ROVs in the world. We also believe we are the industry leader in providing ROV services for offshore drill support, with an estimated 59% market share of the 142 contracted floating drilling rigs at the end of 2024.

Subsea Robotics revenue:	Amount	Percent of Total Revenue
	(in thousands)	
2024	\$ 829,822	31 %
2023	752,521	31 %
2022	621,921	30 %

ROV tooling provides an additional operational interface between an ROV and equipment located subsea. We also provide survey services, including hydrographic survey and positioning services and autonomous underwater vehicles for geoscience.

Manufactured Products. We provide advanced technology product development, manufacturing and project management to industrial, manufacturing, healthcare and warehousing markets. These include:

- various types of subsea umbilicals utilizing steel tubes, thermoplastic hoses, and power and communication cables, along with termination assemblies;
- production control equipment;
- clamp connectors;
- pipeline connector and repair systems;
- subsea and topside control valves;
- subsea chemical injection valves; and
- autonomous mobile robotic technology.

Offshore well operators use subsea umbilicals and production control equipment to control subsea wellhead hydrocarbon flow, monitor downhole and wellhead conditions and perform chemical injection. They are also used to provide power and fluids to other subsea processing hardware, including pumps and gas and oil separation equipment. We also provide mobile robotics solutions, including autonomous mobile robot technology, and turnkey solutions that include project management, engineering design, fabrication/assembly and installation utilizing our autonomous mobile robotic technology, to a variety of industries.

Manufactured Products revenue:	Amount	Percent of Total Revenue
	<i>(in thousands)</i>	
2024	\$ 555,500	21 %
2023	493,692	20 %
2022	382,361	19 %

Offshore Projects Group. Our OPG segment provides a comprehensive portfolio of integrated subsea project capabilities and solutions, leveraging the range of Oceaneering services, products, engineering and design expertise from all of our segments, including the following:

- subsea installation and intervention, including RLWI and IMR services, principally in the U.S. Gulf of Mexico and offshore Angola, utilizing owned and chartered vessels;
- IWOCS and RWOCS;
- diving services;
- decommissioning services;
- project management and engineered solutions; and
- drill pipe riser services and systems and wellhead load relief solutions.

OPG revenue:	Amount	Percent of Total Revenue
	<i>(in thousands)</i>	
2024	\$ 591,037	22 %
2023	546,366	22 %
2022	489,317	24 %

Integrity Management & Digital Solutions. We offer a wide range of asset integrity services to customers worldwide to help ensure the safety of their facilities onshore and offshore, while reducing their unplanned maintenance and repair costs. We also provide third-party inspections to satisfy contractual structural specifications, internal safety standards or regulatory requirements. We provide these services principally to customers in the oil and gas, power generation and petrochemical industries. In the U.K., we provide Independent Inspection Authority services for the oil and gas industry, which include first-pass integrity evaluation and assessment and nondestructive testing services. We perform these services on both onshore and offshore facilities, both topside and subsea. We also provide software, digital and connectivity solutions for the energy industry. In October 2024, we acquired GDi, a U.K.-based provider of asset management, engineering and software services. As the only provider certified by the U.K. Accreditation Service to perform remote visual inspection using point cloud data and photographic images, GDi brings advanced algorithms and data solutions that, when combined with Oceaneering's engineering expertise, will strengthen Oceaneering's ability to optimize asset management for customers in industries including oil and gas, utilities, and power generation. GDi's suite of solutions, including its Vision software, complements Oceaneering's portfolio by supporting enhanced safety, data quality and integrity, and cost efficiency for customers worldwide.

IMDS revenue:	Amount	Percent of Total Revenue
	<i>(in thousands)</i>	
2024	\$ 291,866	11 %
2023	255,282	11 %
2022	229,884	11 %

Aerospace and Defense Technologies. We provide engineering services and manufacturing to the U.S. Department of Defense, National Aeronautics and Space Administration ("NASA") and major government contractors. We work with our customers to understand their specialized requirements, identify and mitigate risks, and provide them with value-added, maintainable, safe and certified solutions. The segment's largest customer is the U.S. Government with the U.S. Navy and NASA being the primary agencies supported. For the U.S. Navy, we

perform engineering services, prototype design building services and repair and maintenance services on submarines and surface ships. We support space exploration and technology development by providing our products and services to NASA, aerospace contractors and commercial space companies. Our U.S. Navy and NASA-related activities substantially depend on continued government funding.

ADTech revenue:	Amount	Percent of Total Revenue
	<i>(in thousands)</i>	
2024	\$ 392,936	15 %
2023	376,845	16 %
2022	342,601	16 %

MARKETING

Energy. Energy exploration and development expenditures fluctuate from year to year. In particular, budgetary approval for drilling and production in deepwater, an area in which we have a high degree of focus, may be postponed or suspended during periods when exploration and production companies reduce their offshore capital spending. Over the last several years, one of our focus areas has been to increase our service and product offerings toward our energy customers' operating expenditures and the offshore renewables energy market.

We market our Subsea Robotics, Manufactured Products, OPG and IMDS services and products to domestic, international and foreign national energy companies engaged in offshore exploration, development and production. We also provide services and products as a subcontractor to other oilfield service companies operating as prime contractors. In addition, we market our Manufactured Products mobile robotic solutions to domestic and international industrial, manufacturing, healthcare and warehousing industries. Customers for our energy services and products typically award contracts on a competitive-bid basis. These contracts can range from less than one year in duration to multi-year contracts.

In connection with the services we perform in our Energy business, we generally seek contracts that compensate us on a dayrate basis. Under dayrate contracts, the contractor provides the ROV, vessel or equipment and the required personnel to operate the unit and compensation is based on a rate per day for each day the unit is used. The typical dayrate depends on market conditions, the nature of the operations to be performed, the duration of the work, the equipment and services to be provided, the geographical areas involved and other variables. Dayrate contracts may also contain an alternate, lower dayrate that applies when a unit is moving to a new site or when operations are interrupted or restricted by equipment breakdowns, adverse weather or water conditions or other conditions beyond the contractor's control. Contracts for our product sales are generally for a fixed price.

Aerospace and Defense Technologies. We market our engineered products and services primarily to U.S. government agencies and their prime contractors in defense and space exploration activities, as well as commercial space companies.

Major Customers. Our top five customers in 2024, 2023 and 2022 accounted for 31, 36% and 37%, respectively, of our consolidated revenue. In 2024, 2023 and 2022, four of our top five customers were oil and gas exploration and production companies served by our Energy business segments, with the other one being the U.S. Government, which is served primarily by our ADTech segment. For the year ended December 31, 2024, no individual customer accounted for more than 10% of our consolidated revenue. For the years ended December 31, 2023 and 2022, revenue from one customer, the U.S. Government, accounted for 10% and 11%, respectively, of our total consolidated annual revenue, and no other customer accounted for more than 10% of our total consolidated revenue.

Although we do not depend on any one customer, the loss of one of our significant customers could, at least on a short-term basis, have an adverse effect on our results of operations and cash flows.

RAW MATERIALS

We purchase various raw materials for use in manufacturing our products and delivering our services. The key raw materials we use include steel in various forms, polymers, copper wire, electronic components and plastics. Most of the raw materials that are critical to our business are generally readily available from multiple sources but may be subject to price volatility. In addition, global market conditions can trigger constraints in the supply of certain raw materials, and our procurement personnel are always seeking ways to ensure the availability and manage the cost

of raw materials. In addition to raw materials, we also use the products and services of a number of other providers, such as forge companies, casting foundries, metal fabricators, machine shops and logistics providers, in order to produce and deliver products to our customers. Most of these materials and services are generally available from multiple sources.

COMPETITION

Our businesses operate in highly competitive industry segments.

Energy

We are one of several companies that provide underwater services and specialty subsea hardware on a worldwide basis. We compete for contracts with companies that have worldwide operations, as well as numerous others operating locally in various areas. We believe that our ability to safely provide a wide range of underwater services and products on a worldwide basis enables us to compete effectively in multiple phases of the offshore oilfield life cycle. In some cases involving projects that require less sophisticated equipment, small companies have been able to bid for contracts at prices uneconomical to us. Additionally, in some jurisdictions we are subject to foreign governmental regulations favoring or requiring the awarding of contracts to local contractors or requiring foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. These regulations may adversely affect our ability to compete.

Subsea Robotics. We believe we are the world's largest owner and operator of work-class ROVs employed in energy-related operations. As of December 31, 2024, we owned 250 work-class ROVs. We compete with several major companies on a worldwide basis and with numerous others operating locally in various areas. Competition for ROV services, including ROV tooling, historically has been based on equipment availability, location of or ability to deploy the equipment, quality of service and price. The relative importance of these factors can vary over time based on market conditions. The ability to develop improved equipment and techniques and to attract, train and retain skilled personnel is also an important competitive factor in our markets.

Our survey and positioning services operate in a competitive environment, as one of several companies that provide these services. Additionally, in recent years, we have been targeting increasing our presence in international markets.

Manufactured Products. With our manufactured products business, we are one of several companies that compete on a worldwide basis for the provision of steel tube and thermoplastic control umbilicals. Compared to current and forecasted market demand, coupled with competitors reducing supply capacity, we have seen improvements in the umbilical manufacturing and energy markets. We believe the reduction in capacity by some of our competitors over the last few years, coupled with an increase in demand, should help with balancing a historically over-supplied market.

Within our mobility solutions and entertainment businesses, there are many niche competitors offering specialized services and products, both on a regional and a global basis.

Offshore Projects Group. We perform subsea intervention and hardware installation services, principally in the U.S. Gulf of Mexico and West Africa, from multiservice deepwater vessels. We are one of many companies that offer these services. In general, our competitors can move their vessels to where we operate from other locations with relative ease. However, some of our competitors' vessels are not Jones Act-compliant, which requires that vessels operating in the U.S. Gulf of Mexico be built and registered in the United States and 75% U.S. owned in order to transport merchandise between points in the United States. Within our service and rental businesses, there are many competitors offering specialized services and products both on a regional and a global basis.

Integrity Management & Digital Solutions. The worldwide asset integrity and inspection markets consist of a wide range of inspection and certification requirements in many industries. We currently compete in only selected portions of this market. We are expanding our integrity management services into adjacent markets and are developing our digitization services. We believe that our broad geographic sales and operational coverage, long history of operations, technical and safety reputation, application of various inspection technologies and accreditation to international quality standards enable us to compete effectively in our selected asset integrity and inspection services market segments.

Aerospace and Defense Technologies

Engineering services is a very broad market with a large number of competitors. We compete in specialized areas in which we can combine our extensive knowledge of operating in harsh environments, program management experience, mechanical engineering expertise and the capability to continue the development of conceptual project designs into the manufacture of custom equipment for customers.

SEASONALITY AND BACKLOG

We generate a material amount of our consolidated revenue from contracts for services in the U.S. Gulf of Mexico in our OPG segment, which is usually more active in the second and third quarters, as compared to the rest of the year. Revenue in our Subsea Robotics segment is subject to seasonal variations in demand, with our first quarter generally being the low quarter of the year. The level of our Subsea Robotics seasonality depends on the number of ROVs we have engaged in vessel-based subsea infrastructure IMR and installation, which is more seasonal than drill support. Revenue in each of our Manufactured Products, IMDS and ADTech segments generally has not been seasonal.

The amounts of backlog orders we believed to be firm as of 2024 and 2023 were as follows (in millions):

	As of December 31, 2024		As of December 31, 2023	
	Total	1+ yr ⁽¹⁾	Total	1+ yr ⁽¹⁾
Energy				
Subsea Robotics	\$ 876	\$ 355	\$ 782	\$ 303
Manufactured Products	604	165	622	194
Offshore Projects Group	416	155	355	121
Integrity Management & Digital Solutions	291	120	332	148
Total Energy	2,187	795	2,091	766
Aerospace and Defense Technologies	252	42	236	23
Total	\$ 2,439	\$ 837	\$ 2,327	\$ 789

(1) Represents amounts that were not expected to be performed within one year.

No material portion of our business is subject to renegotiation of profits or termination of contracts by the U.S. Government.

PATENTS AND LICENSES

We currently hold numerous U.S. and foreign patents and pending patent applications. We have acquired patents and licenses and granted licenses to others when we have considered it advantageous for us to do so. Although in the aggregate our patents and licenses are important to us, we do not regard any single patent or license or group of related patents or licenses as critical or essential to our business as a whole. In general, we depend on our technological capabilities and the application of know-how rather than patents and licenses in the conduct of our operations.

REGULATION

Our operations are affected from time to time and in varying degrees by foreign and domestic political developments and foreign, federal and local laws and regulations, including those relating to:

- operating from and around offshore drilling, production and marine facilities;
- national preference for local equipment and personnel;
- marine vessel safety;
- protection of the environment, including pollution, GHG emissions and climate change;
- workplace health and safety;
- data privacy;
- taxation (including tariffs and retaliatory tariffs);
- license requirements for importation and exportation of our equipment and technology; and

- currency conversion and repatriation.

In addition, our Energy business primarily depends on the demand for our services and products from the oil and gas industry and, therefore, is affected by changing taxes, price controls and other laws and regulations relating to the oil and gas industry generally. The adoption of laws and regulations curtailing offshore exploration and development drilling for oil and gas for economic and other policy reasons (such as addressing concerns about climate change or banning offshore exploration and production in certain geographic areas) would adversely affect our operations by limiting demand for our services. We cannot determine the extent to which new legislation, new regulations or changes in existing laws or regulations may affect our future operations.

Our operations and properties are subject to a wide variety of increasingly complex and stringent foreign, federal, state and local environmental laws and regulations, including those governing discharges into the air and water, the handling and disposal of solid and hazardous wastes, the remediation of soil and groundwater contaminated by hazardous substances and the health and safety of employees. Sanctions for noncompliance may include revocation of permits, corrective action orders, administrative or civil penalties and criminal prosecution. Some environmental laws provide for strict, joint and several liability for remediation of spills and other releases of hazardous substances, as well as damage to natural resources. In addition, companies may be subject to claims alleging personal injury or property damage as a result of alleged exposure to hazardous substances. These laws and regulations may also expose us to liability for the conduct of or conditions caused by others, or for our acts that were in compliance with all applicable laws at the time such acts were performed.

Environmental laws and regulations that apply to our operations include the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act (each, as amended) and similar laws that provide for responses to, and liability for, releases of hazardous substances into the environment. Environmental laws and regulations also include similar foreign, state or local counterparts to the above-mentioned federal laws, which regulate air emissions, water discharges, hazardous substances and waste, and require public disclosure related to the use of various hazardous substances. Our operations are also governed by laws and regulations relating to workplace safety and worker health, primarily, in the United States, the Occupational Safety and Health Act and regulations promulgated thereunder.

Compliance with federal, state and local provisions regulating the discharge of materials into the environment or relating to the protection of the environment has not had a material impact on our capital expenditures, earnings or competitive position. We cannot predict all of the environmental requirements or circumstances that will exist in the future but anticipate that environmental control and protection standards will become increasingly stringent and costly. Based on our experience to date, we do not currently anticipate any material adverse effect on our business or consolidated financial position, results of operations or cash flows as a result of future compliance with existing environmental laws and regulations. However, future events, such as changes in existing laws and regulations or their interpretation, more vigorous enforcement policies of regulatory agencies, or stricter or different interpretations of existing laws and regulations, may require additional expenditures by us, which may be material. Accordingly, there can be no assurance that we will not incur significant environmental compliance costs in the future.

Our quality management systems are registered as being in conformance with ISO 9001:2015 and cover:

- our Subsea Robotics operations in the U.S. Gulf of Mexico, the U.K., Norway, Angola, Ghana, Brazil, Canada, India, the United Arab Emirates, Australia, Azerbaijan, Indonesia and Malaysia;
- our Manufactured Products operations in Brazil, Canada, the U.S., the U.K., Norway, Malaysia, the Netherlands and Germany;
- our Offshore Projects Group operations in the U.S. Gulf of Mexico, the U.K., Norway, Angola, Ghana, Brazil, Canada, India, the United Arab Emirates, Australia, Azerbaijan, Indonesia, Singapore, Thailand and Malaysia;
- our Integrity Management & Digital Solutions operations in the U.S. Gulf of Mexico, the U.K., Norway, Angola, the United Arab Emirates, Oman, Qatar, Australia, Malaysia, Indonesia and Azerbaijan; and
- the Oceaneering Space Systems, Oceaneering Technologies and Marine Services divisions of our Aerospace and Defense Technologies segment in the U.S.

ISO 9001 is an internationally recognized system for quality management established by the International Standards Organization, and the 2015 edition emphasizes customer satisfaction, risk assessment and continual improvement.

HUMAN CAPITAL RESOURCES

Human Capital Programs and Metrics

We believe our future success largely depends on our continued ability to attract and retain highly skilled employees. Our attraction and retention efforts include:

- **Business Ethics.** As described more fully below, we foster a culture that encourages Oceaneering employees (“Oceaneers”) to act with integrity and insist upon business ethics.
- **Compensation and Benefits.** We aim to offer competitive compensation packages, including benefit packages tailored to local markets of operation.
- **Career Development.** We value continued learning and growth for all Oceaneers, regardless of their location, career path or background. In our global business, we develop talent and offer career advancement within local communities while offering exciting opportunities to deepen international business and cultural experiences for Oceaneers with such aspirations. We offer accelerated career paths for technicians into senior and supervisory roles as well as leadership development for personnel on professional career tracks. We regularly review our leadership bench strength and demonstrate a strong history of internal promotion.
- **Health, Safety, Security & Environment.** We take a proactive, preventative, and people-first approach to health, safety, security and environmental (“HSSE”) risks in our business. We start by measuring leading indicators that provide opportunities to avoid HSSE events before they happen, and we keep HSSE at the forefront of our decisions. We expect full commitment to HSSE from all Oceaneers and from all of our business partners.
- **Diversity.** Given our global footprint and the breadth of skills, qualifications, and perspectives required to achieve our business goals, we endeavor to attract, promote, and retain the best and brightest employees from all populations. Additionally, we value a culture where employees can be authentic at work, live their values, and grow and advance their careers. Our local, regional, and global employee resource groups are open to all Oceaneers and offer opportunities for networking, community-building, and knowledge enhancement.
- **Community Involvement.** Oceaneers value addressing the needs of the communities in which they live and work. We support local, regional and global initiatives to address community needs, and we offer two paid volunteer days annually to all employees to enable them to participate in community outreach activities throughout the year.
- **Continual Improvement of Employee Experience.** We believe that the employee value proposition can vary and evolve from place to place and from time to time. With that in mind and with a commitment to continual improvement of the employee experience, we conduct periodic employee engagement surveys to gauge engagement of Oceaneers.

As of December 31, 2024, we had approximately 10,400 employees, of whom approximately 38% were employed in the United States and approximately 62% were employed outside of the United States. Our workforce varies seasonally and typically peaks during the second and third quarter of each year. In 2024, we worked in approximately 50 countries across six continents and employed people representing over 115 different nationalities.

Business Ethics

Our Code of Conduct applies to all of our directors, officers and employees. Additionally, our joint venture partners, consultants, agents, subcontractors and other business partners must follow applicable law and ethical business practices consistent with our Code of Conduct when working on our behalf. The Code of Conduct is approved by the Board of Directors and is regularly reviewed by the Audit Committee. Waivers of the Code of Conduct are to be granted only by our Board of Directors.

Our Code of Conduct outlines Oceaneering’s commitment to honest and ethical conduct, compliance with applicable laws and regulations, prompt internal reporting of potential and actual violations (including a prohibition against retaliation for making good faith reports), accountability for violations and public reporting or disclosures as required by applicable law. While no Code of Conduct can cover every circumstance that may relate to business ethics, our Code of Conduct provides guidance and instructions related to conflicts of interest, anti-bribery and corruption (including management of third-party representatives), fair competition, trade controls, record-keeping,

data privacy, protection of confidential and proprietary information, insider trading, respectful workplace, human rights, and more.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

We are including the following discussion to inform our existing and potential security holders generally of some of the risks and uncertainties that can affect our company and to take advantage of the “safe harbor” protection for forward-looking statements that applicable federal securities law affords.

From time to time, our management or persons acting on our behalf make forward-looking statements to inform existing and potential security holders about our company. These statements may include projections and estimates concerning the timing and success of specific projects and our future orders, revenue, income and capital spending. Forward-looking statements are generally accompanied by words such as “estimate,” “plan,” “project,” “predict,” “believe,” “expect,” “anticipate,” “plan,” “forecast,” “budget,” “goal,” “may,” “should,” or other words that convey the uncertainty of future events or outcomes. In addition, sometimes we will specifically describe a statement as being a forward-looking statement and refer to this cautionary statement.

In addition, various statements this report contains, including those that express a belief, expectation or intention, or that express a future goal or commitment, are forward-looking statements. Those forward-looking statements appear in Part I of this report in Item 1—“Business,” Item 2—“Properties” and Item 3—“Legal Proceedings” and in Part II of this report in Item 7—“Management’s Discussion and Analysis of Financial Condition and Results of Operations,” Item 7A—“Quantitative and Qualitative Disclosures About Market Risk” and in the Notes to Consolidated Financial Statements incorporated into Item 8 and elsewhere in this report. These forward-looking statements speak only as of the date of this report, we disclaim any obligation to update these statements, and we caution you not to rely unduly on them. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks, contingencies and uncertainties relate to, among other matters, the following:

- factors affecting the level of activity in the energy industry, including worldwide demand for and prices of oil and natural gas, oil and natural gas production growth and the supply and demand of offshore drilling rigs;
- actions by members of the Organization of Petroleum Exporting Countries (“OPEC”), and other oil exporting countries;
- decisions about offshore developments to be made by oil and gas exploration, development and production companies;
- decisions about offshore developments to be made by offshore renewables companies;
- the use of subsea completions and our ability to capture a share of the associated market;
- factors affecting the level of activity in our government businesses, including decisions on spending and funding by the U.S. Government;
- factors affecting the level of activity in our entertainment business, including decisions on capital expenditure decisions by entertainment business customers;
- factors affecting our ability to achieve our growth expectations for our mobile robotics technology products;
- general economic and business conditions and industry trends, including the ongoing transition to alternative sources of energy to reduce worldwide emissions of carbon dioxide and other “greenhouse gases,” the effects of inflation and future monetary policies and actions of the Federal Reserve;
- the strength of the industry segments in which we are involved;
- cancellations of contracts, change orders and other contractual modifications and the resulting adjustments to our backlog;
- collections from our customers;
- the availability and increased costs of chartered vessels;
- our future financial performance, including as a result of the availability, terms and deployment of capital;
- the consequences of significant changes in currency exchange rates;
- the volatility and uncertainties of credit markets;
- our ability to comply with covenants in our credit agreements and other debt instruments and the availability, terms and deployment of capital;

- changes in tax laws, regulations and interpretation by taxing authorities;
- changes in, or our ability to comply with, other laws and governmental regulations, including those relating to the environment (including pollution and climate change);
- the continued availability of qualified personnel and our ability to attract and retain those qualified personnel;
- our ability to obtain raw materials and parts on a timely basis and, in some cases, from limited sources;
- increases in material costs on long-term projects at prices higher than originally forecast;
- operating risks normally incident to offshore exploration, development and production operations;
- hurricanes and other adverse weather and sea conditions;
- cost and time associated with drydocking of our vessels;
- the highly competitive nature of our businesses;
- adverse outcomes from legal or regulatory proceedings;
- the risks associated with integrating businesses we acquire;
- the risks associated with the use of complex information technology systems, including cybersecurity risks and the risks associated with failures to protect data privacy in accordance with applicable legal requirements and contractual provisions binding upon us;
- rapid technological changes; and
- social, political, military and economic situations in countries where we do business and the possibilities of civil disturbances, war, other armed conflicts or terrorist attacks.

We believe the items we have outlined above are important factors that could cause our actual results to differ materially from those expressed in a forward-looking statement made in this report or elsewhere by us or on our behalf. We have discussed most of these factors in more detail elsewhere in this report. These factors are not necessarily all the factors that could affect us. Unpredictable or unanticipated factors we have not discussed in this report could also have material adverse effects on actual results of matters that are the subject of our forward-looking statements. We do not intend to update our description of important factors each time a potential important factor arises. We advise our security holders that they should (1) be aware that important factors we do not refer to above could affect the accuracy of our forward-looking statements and (2) use caution and common sense when considering our forward-looking statements.

AVAILABLE INFORMATION

Our website address is www.oceaneering.com. We make available through this website under “Investor Relations—SEC Financial Reports,” free of charge, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, amendments to those reports and Section 16 filings by our directors and executive officers as soon as reasonably practicable after we, or our executive officers or directors, as the case may be, electronically file those materials with, or furnish those materials to, the U.S. Securities and Exchange Commission (“SEC”). In addition, the SEC maintains a website, www.sec.gov, which contains reports, proxy and other information statements, and other information regarding issuers that file electronically with the SEC.

We have adopted, and posted on our website: our corporate governance guidelines; a code of ethics for our Chief Executive Officer and Senior Financial Officers; charters for the Audit, Nominating, Corporate Governance and Sustainability, and Compensation Committees of our Board of Directors; and a code of business conduct and ethics that applies to all of our directors, officers and employees.

We also post on our website materials that summarize our environmental, social and governance (“ESG”) efforts, including our annual Sustainability Accounting Standards Board Disclosures and our Climate Change Report aligned with the Task Force on Climate-Related Financial Disclosures guidance. These materials are available in print to any stockholder that makes a written request to Oceaneering International, Inc., Attention: Corporate Secretary, 5875 North Sam Houston Parkway West, Suite 400, Houston, Texas 77086. Information contained on or accessible from our website or any other website is not incorporated by reference into this Annual Report and should not be considered part of this report.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS AND DIRECTORS

Executive Officers. The following information relates to our executive officers as of February 14, 2025:

NAME	AGE	POSITION	EXECUTIVE OFFICER SINCE	EMPLOYEE SINCE
Roderick A. Larson	58	President and Chief Executive Officer and Director	2012	2012
Earl F. Childress	59	Senior Vice President and Chief Commercial Officer	2020	2020
Alan R. Curtis	59	Senior Vice President and Chief Financial Officer	2015	1995
Holly D. Kriendler	60	Senior Vice President and Chief Human Resources Officer	2020	2016
Benjamin M. Laura	46	Senior Vice President and Chief Operating Officer	2020	2014
Jennifer F. Simons	48	Senior Vice President, Chief Legal Officer and Secretary	2023	2023
Philip G. Beierl	66	Senior Vice President, Aerospace and Defense Technologies	2018	2005
William R. Merz	61	Senior Vice President, Aerospace and Defense Technologies	2025	2024
Christopher J. Dyer	45	Senior Vice President, Offshore Projects Group	2022	2004
Leonardo P. Granato	51	Senior Vice President, Integrity Management and Digital Solutions	2022	2016
Martin J. McDonald	61	Senior Vice President, Subsea Robotics	2015	1989
Shaun R. Roedel	57	Senior Vice President, Manufactured Products	2020	2009
Catherine E. Dunn	47	Vice President and Chief Accounting Officer	2023	2002

Each executive officer serves at the discretion of our Board of Directors and is subject to reelection or reappointment each year after the annual meeting of our shareholders. We do not know of any arrangement or understanding between any of the above persons and any other person or persons pursuant to which they were selected or appointed as an officer.

The following summarizes the business experience of our executive officers. Except where we otherwise indicate, each of these persons has held his or her current position with Oceaneering for at least the past five years.

Roderick A. Larson has served as President and Chief Executive Officer of Oceaneering since 2017 and as President since 2015. Mr. Larson previously served as Senior Vice President and Chief Operating Officer from 2012 to 2015. Prior to joining Oceaneering in 2012, Mr. Larson was employed by Baker Hughes Incorporated for more than 20 years, where he held various leadership and technical positions, including most recently as President, Latin America Region from 2011 to 2012 and Vice President of Operations, Gulf of Mexico Region, from 2009 to 2011. He has been a director of Newpark Resources, Inc. since 2014. Mr. Larson serves on the boards of the American Petroleum Institute and the National Ocean Industries Association and was the 2021 Chair of the Energy Workforce and Technology Council.

Earl F. Childress joined Oceaneering in 2020 as Senior Vice President, Business Development and assumed his current role as Senior Vice President and Chief Commercial Officer in the same year. From 2015 to 2020, he served as Executive Vice President of Strategy and Business Development for Teledyne Marine, and as General Manager of Teledyne Seismic and Teledyne RD Instruments. Prior to 2015, Mr. Childress served in sales, marketing and strategy roles for Teledyne, including mergers and acquisitions in marine instrumentation markets.

Alan R. Curtis became Senior Vice President and Chief Financial Officer in 2015. Prior to that time, Mr. Curtis served as Senior Vice President, Operations Support from 2014. Mr. Curtis joined Oceaneering as Financial Controller in 1995.

Holly D. Kriendler was appointed as Senior Vice President and Chief Human Resources Officer in 2020, with responsibility for Oceaneering's human resources, global mobility and operations training functions. She joined Oceaneering in 2016 as Vice President, Human Resources and was appointed as its Chief Human Resources Officer in 2018. Prior to joining Oceaneering, Ms. Kriendler served in human resources leadership positions from 2006 to 2016 at affiliates of Tyco International Ltd. and successor entities, including most recently as Vice President, Human Resources for The ADT Corporation from 2011. Ms. Kriendler has more than 25 years of experience in human resources management.

Benjamin M. Laura assumed the role of Senior Vice President and Chief Operating Officer in 2025. Prior to that time, from 2014 to 2022 he served in the positions of Senior Vice President and Chief Innovation Officer, Senior

Vice President, Offshore Projects Group, Senior Vice President, Service and Rental, Vice President, Service, Technology & Rentals, and Director, Subsea Services in 2014, when he joined Oceaneering. Prior to joining Oceaneering, Mr. Laura worked for Baker Hughes Incorporated as the Vice-President and Managing Director for Baker Hughes do Brasil.

Jennifer F. Simons joined Oceaneering in 2023 as Senior Vice President, Chief Legal Officer and Secretary. She previously worked for Parker Drilling Company and various of its subsidiaries ("Parker Wellbore") from 2010, most recently as Senior Vice President, Chief Administrative Officer, General Counsel and Corporate Secretary from 2020, responsible for legal and compliance, commercial management, enterprise risk management, HSSE, supply chain, quality, and HR information systems. Prior to that, she served in various roles including Vice President, General Counsel and Corporate Secretary from 2018, and General Manager of Parker Wellbore's Canadian offshore drilling operations from 2016. Before Parker Wellbore, Ms. Simons practiced law with Chamberlain, Hrdlicka, White, Williams & Aughtry.

Philip G. Beierl, became Senior Vice President, Aerospace and Defense Technologies in 2020 and Senior Vice President, Advanced Technologies in 2018. Prior to that time, Mr. Beierl served as Vice President, Advanced Technologies from 2018 and held leadership positions in the Oceaneering Technologies unit, most recently as its Vice President and General Manager from 2014. Before joining Oceaneering in 2005, he served in the U.S. Navy for over 25 years.

William R. Merz became Senior Vice President, Aerospace and Defense Technologies in 2025. He joined Oceaneering in 2024 as Vice President, Aerospace and Defense Technologies, from his position as Vice President of Operations for Entergy in Houston. Prior to joining Oceaneering, Mr. Merz served 36 years in the U.S. Navy as a nuclear submarine officer, a career that culminated in command of the U.S. Seventh Fleet and senior Pentagon positions as the Navy's Requirements Officer (OPNAV N9), Operations/Policy Officer (OPNAV N3/N5), and Director of Undersea Warfare.

Christopher J. Dyer became Senior Vice President, Offshore Projects Group in 2022. Prior to that time, he served as Vice President, Offshore Projects Group–Americas and Director, Offshore Projects Group–Americas from 2020 to 2022. Prior to our segment realignment, he served within our Service and Rental business unit as: Director, Intervention from 2019; Global Service Line Manager from 2018; and Service Line Manager from 2016. Mr. Dyer joined Oceaneering as a Project Engineer in 2004 in our Space Systems division.

Leonardo P. Granato became Senior Vice President, Integrity Management and Digital Solutions in 2022. Prior to that time, Mr. Granato served as Brazil Country Manager from 2019 and as Business Development–Managing Director Brazil from 2018. Mr. Granato joined Oceaneering as Director of Service Excellence for the Service and Rental business unit in 2016. Prior to joining Oceaneering, Mr. Granato served in roles of increasing responsibility with Baker Hughes Incorporated and Baker Hughes do Brasil, including most recently as Latin America HSE Director from 2014 to 2016.

Martin J. McDonald became Senior Vice President, Subsea Robotics in 2020 and Senior Vice President, Remotely Operated Vehicles in 2016, after 27 years with Oceaneering. Previously, he served as Vice President of Oceaneering's ROV operations in the eastern hemisphere from 2008, and General Manager of those operations from 2006.

Shaun R. Roedel became Senior Vice President, Manufactured Products in 2020 and Vice President Subsea Manufactured Products in 2017. He joined Oceaneering in 2009 as Assistant General Manager/Group Project Manager of the umbilical plant in Panama City, Florida. Prior to joining Oceaneering, Mr. Roedel was the head of project management for Siemens Dematic from 1997 to 2004 and the head of project management and construction for Vanderlande Industries from 2004 to 2009. Mr. Roedel served in the U.S. Navy from 1990 to 1997.

Catherine E. Dunn became Vice President and Chief Accounting Officer in 2023. She joined Oceaneering in 2002 and has served as Corporate Controller since 2012. Prior to joining Oceaneering, Mrs. Dunn was with Arthur Andersen. Mrs. Dunn holds a Bachelor's degree in Accounting from Louisiana State University and is a Certified Public Accountant.

Directors. The following information relates to our directors as of February 14, 2025:

NAME	POSITION	TITLE AND COMPANY	DIRECTOR SINCE
M. Kevin McEvoy	Chair of the Board	Independent Lead Director of EMCOR Group, Inc.	2011
Karen H. Beachy	Director	Principal Consultant of Think B3 Consulting, LLC and Director of Pangaea Logistics Solutions Ltd.	2021
William B. Berry	Director	Director (Ret.) of Continental Resources, Inc.	2016
Deanna L. Goodwin	Director	Director of Arcadis NV and Kosmos Energy Ltd.	2018
Roderick A. Larson	Director	President and Chief Executive Officer of Oceaneering International, Inc. and Director of Newpark Resources, Inc.	2017
Paul B. Murphy, Jr.	Director	Executive Vice Chairman (Ret.) of Cadence Bank and Director of the general partner of Natural Resource Partners L.P.	2012
Reema Poddar	Director	Director of MeridanLink, Inc.; Director of Accion Labs Group Holdings, Inc.; and Director of OptimEyes AI	2024
Jon Erik Reinhardsen	Director	Chairman of Equinor ASA	2016
Steven A. Webster	Director	Managing Partner of AEC Partners L.P.; Trust Manager of Camden Property Trust; and Director (Ret.) of Callon Petroleum Company	2015

Item 1A. Risk Factors.

We are subject to various risks and uncertainties in the course of our business. The following summarizes the risks and uncertainties that we consider to be material and that may materially and adversely affect our business, financial condition, results of operations or cash flows and the market value of our securities. Investors in our company should consider these matters, in addition to the other information we have provided in this report and the documents we incorporate by reference.

Business and Operational Risks

We derive most of our revenue from companies in the offshore oil and gas industry, a historically cyclical industry with levels of activity that are significantly affected by the levels and volatility of oil and gas prices.

We derive most of our revenue from customers in the offshore oil and gas exploration, development and production industry. The offshore oil and gas industry is a historically cyclical industry characterized by significant changes in the levels of exploration and development activities. Oil and gas prices, and market expectations of potential changes in those prices, significantly affect the levels of those activities. Worldwide political, economic and military events have contributed to oil and gas price volatility and are likely to continue to do so in the future. In addition, there is ongoing uncertainty regarding the long-term outlook for offshore drilling in the United States, including the U.S. Gulf of Mexico, as a result of a ban by the previous presidential administration pursuant to the Outer Continental Shelf Lands Act on future oil and gas leasing on the entire U.S. East coast, the eastern Gulf of Mexico, the Pacific off the coasts of Washington, Oregon, and California, and additional portions of the Northern Bering Sea in Alaska. Any prolonged reduction in the overall level of offshore oil and gas exploration and development activities, whether resulting from changes in oil and gas prices, limitations on access to capital for such activities, governmental actions or regulatory developments or otherwise, could materially and adversely affect our financial condition and results of operations in our operating segments within our Energy business. Some factors that have affected and are likely to continue affecting oil and gas prices and the level of demand for our services and products include the following:

- worldwide demand for oil and gas;
- general economic and business conditions and industry trends;
- the ability of OPEC to set and maintain production levels;
- the level of production by non-OPEC countries;
- the ability of oil and gas companies to generate funds for capital expenditures;
- the ongoing ability to access external financing from financial institutions or the capital markets;
- the cost of exploring for, developing and producing oil and gas as compared to alternative energy sources;
- domestic and foreign tax policy;
- laws and governmental regulations that restrict exploration and development of oil and gas in various offshore jurisdictions;
- technological changes that could lead to competition from new market entrances;
- technological advances that impact the demand for energy, as well as the production of oil and gas;
- the political environment of oil-producing regions;
- the changing environmental and social landscape;
- the price and availability of alternative energy;
- war, sabotage, terrorism and civil unrest, including the conflict between Russia and Ukraine and conflict in the Middle East; and
- extreme weather conditions, natural disasters, public health crises and pandemics or epidemics, such as COVID-19 and variants thereof.

Our operations could be adversely impacted by the indirect consequences of climate change and climate-related business trends.

Scientific studies have suggested that emissions of certain gases, commonly referred to as “greenhouse gases,” including carbon dioxide and methane, are contributing to warming of the earth’s atmosphere and other climatic changes. In response to those studies, the issue of climate change and the effects of greenhouse gas emissions, in particular emissions from fossil fuels, has attracted and continues to attract political and social attention. Although it

is not possible at this time to predict the timing and effect of climate-related business trends, any such developments, including the declining cost of renewable energy generation technologies, continued government subsidies, and the continuing electrification of various technologies that previously used hydrocarbons, could impact the long-term demand for oil and natural gas and, ultimately, the demand for the services and products of our Energy business.

Climate-related business trends could result in, among other things, decreased demand for goods or services that produce significant greenhouse gas emissions, such as our fleet of vessels, increased demand for goods that result in lower emissions than competing products and increased competition to develop innovative new products that result in lower emissions. As we strive to develop innovative new product offerings, we aim to address a myriad of challenges facing our customers and the industries that we serve, including, among many others, energy efficiency, labor shortages, safety and climate change. To meet these challenges, we strive to innovate products and services that, in addition to lowering greenhouse gas emissions for our customers, offer higher energy efficiency, fewer personnel requirements due to more automation and superior safety characteristics. While this creates opportunities for our business, we face the risk that we will be unable to execute on such innovation in a timely manner, or at all, which may materially and adversely affect our business, financial condition, results of operations or cash flows if our customers turn to other suppliers for these products. If we are unable to meet increased customer expectations around the energy efficiency and carbon emissions of our new products, our business or our reputation could be negatively impacted.

Further, increased demand for generation and transmission of energy from alternative energy sources could result in a decreased demand for goods or services that complement the hydrocarbon industry generally, even if those goods and services themselves do not produce significant greenhouse gas emissions, such as our remotely operated vehicles. Our business could be negatively impacted if we are unable to successfully market our products and services to customers who produce energy from alternative energy sources.

Beyond financial impacts, climate change poses potential physical risks. Scientific studies forecast that these risks include increases in sea levels, stresses on water supply, rising average temperatures and other changes in weather conditions, such as increases in precipitation and extreme weather events, such as floods, heat waves, hurricanes and other tropical storms and cyclones. The projected physical effects of climate change have the potential to directly affect the operations we conduct for customers and result in increased costs related to our operations. However, because the nature and timing of changes in extreme weather events (such as increased frequency, duration, and severity) are uncertain, it is not possible for us to estimate reliably the future financial risk to our operations caused by these potential physical risks.

Our international operations involve additional risks not associated with domestic operations.

A significant portion of our revenue is attributable to operations in foreign countries. These activities accounted for approximately 58% of our consolidated revenue in 2024. Risks associated with our operations in foreign areas include risks of:

- regional and global economic downturns;
- public health crises, such as COVID-19, Severe Acute Respiratory Syndrome, severe influenza and other highly communicable viruses or diseases, that could limit our access to customers', vendors' or our facilities or offices, impose travel restrictions on our personnel or otherwise adversely affect our operations or demand for our services;
- expropriation, confiscation or nationalization of assets;
- renegotiation or nullification of existing contracts;
- foreign exchange restrictions;
- foreign currency fluctuations, particularly in countries highly dependent on oil revenue;
- foreign taxation, including the application and interpretation of tax laws;
- the inability to repatriate earnings or capital;
- changing political conditions;
- changing foreign trade policies and tariffs;
- changing foreign and domestic monetary policies; and
- social, political, military and economic situations in foreign areas where we do business and the possibilities of civil disturbances, war, other armed conflict, terrorist attacks or acts of piracy.

Changes in U.S. foreign trade policies, including as a result of the new presidential administration, could lead to the imposition of additional trade barriers and tariffs on us. We cannot predict what changes to trade policy will be made by the current or a future presidential administration or Congress, including whether existing tariff policies will be maintained or modified or whether the entry into new bilateral or multilateral trade agreements will occur, nor can we predict the effects that any such changes would have on our business. Changes in U.S. trade policy have resulted and could again result in reactions from U.S. trading partners, including adopting responsive trade policies making it more difficult or costly for us to export our products to countries where we currently sell products. Such changes in U.S. trade policy or in laws and policies governing foreign trade, and any resulting negative sentiments towards the United States as a result of such changes, could materially and adversely affect our business, operations, financial condition and results of operations.

Additionally, in some jurisdictions we are subject to foreign governmental regulations favoring or requiring the awarding of contracts to local contractors or requiring foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. These regulations may adversely affect our ability to compete.

Our exposure to the risks we described above varies from country to country. There is a risk that a continuation or worsening of these conditions could materially and adversely impact our future business, operations, financial condition and results of operations.

Our backlog is subject to unexpected adjustments and cancellations and is, therefore, an uncertain indicator of our future revenue and earnings.

There can be no assurance that the revenue included in our backlog will be realized or, if realized, will result in profits. Because of project cancellations or potential changes in the scope or schedule of our customers' projects, we cannot predict with certainty when or if backlog will be realized. Material delays, suspensions, cancellations or payment defaults could materially affect our financial condition, results of operations and cash flows. We may be at risk of delays, suspensions and cancellations in the current market environment.

Reductions in our backlog due to cancellation by a customer or for other reasons would adversely affect, potentially to a material extent, the revenue and earnings we actually receive from contracts included in our backlog. Many of our ROV contracts have 30-day notice termination clauses. Some of the contracts in our backlog provide for cancellation fees in the event customers cancel projects. These cancellation fees usually provide for reimbursement of our out-of-pocket costs, revenue for work performed prior to cancellation and a varying percentage of the profits we would have realized had the contract been completed. However, under limited circumstances, such as certain bankruptcy events, no cancellation fee would be owed to us. Further, even if a cancellation fee is owed to us, a customer may be unable or may refuse to pay the cancellation fee. We typically have no contractual right upon cancellation to the total contract revenue as reflected in our backlog. If we experience significant project terminations, suspensions or scope adjustments to contracts reflected in our backlog, our financial condition, results of operations and cash flows may be adversely impacted.

Our offshore oilfield operations involve a variety of operating hazards and risks that could cause losses.

Our offshore oilfield operations are subject to the hazards inherent in the offshore oilfield business. These include blowouts, explosions, fires, collisions, capsizings and severe weather conditions. These hazards could result in personal injury and loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage and suspension of operations. We may incur substantial liabilities or losses as a result of these hazards. While we maintain insurance protection against some of these risks and seek to obtain indemnity agreements from our customers requiring the customers to hold us harmless from some of these risks, our insurance and contractual indemnity protection may not be sufficient or effective to protect us under all circumstances or against all risks. The occurrence of a significant event not fully insured or indemnified against or the failure of a customer to meet its indemnification obligations to us could materially and adversely affect our results of operations and financial condition.

Legal and Regulatory Risks

Legislative and regulatory responses to climate change and the ongoing “energy transition” could result in increased operating costs and capital expenditures and changes in demand for the services and products of our Energy business.

The legislative and regulatory responses to climate change and its effects have the potential to negatively affect our business in many ways, including increasing the costs to provide the services and products of our Energy business, reducing the demand for and consumption of certain of those services and products, and the economic health of the regions in which we operate, all of which can create financial risks.

Legislation to regulate greenhouse gas emissions has, from time to time, been introduced in the U.S. Congress and such legislation may be proposed or adopted in the future. In addition, the Environmental Protection Agency (“EPA”) has adopted regulations addressing greenhouse gas emissions, including the EPA’s final methane rules, which impose several new methane emission requirements on the oil and gas industry, announced on December 2, 2023, during the United Nations Climate Change Conference in the United Arab Emirates (“COP28”) and published on March 8, 2024. There also have been international efforts seeking legally binding reductions in greenhouse gas emissions, as well as non-binding efforts, including the non-binding agreement by more than 190 governments at COP28 to transition away from fossil fuels and encourage the growth and expansion of renewable energy. The United States was actively involved in the negotiations at the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change in Paris, which led to the creation of the “Paris Agreement.” The Paris Agreement requires the signatory countries to review and “represent a progression” in their nationally determined contributions, which set emissions reduction goals, every five years.

It is not possible at this time to predict the timing and effect of climate change or to predict the effect of the Paris Agreement (or similar international agreements) or whether additional greenhouse gas legislation, regulations or other measures will be adopted. However, more aggressive efforts by governments and non-governmental organizations to reduce greenhouse gas emissions may occur and any such future laws and regulations could result in increased compliance costs or additional operating restrictions applicable to our Energy business customers and/or us. For example, in August 2022, President Biden signed the Inflation Reduction Act (“IRA”) into law, which imposes a charge on methane emissions from certain petroleum and natural gas system facilities and could have an indirect impact on demand for the goods and services of our Energy business, and on December 2, 2023 during COP28, the EPA announced its final methane rules, which impose several new methane emission requirements on the oil and gas industry. The EPA’s final methane rule was published on March 8, 2024. In November 2024, at the Conference of the Parties to the United Nations Framework Convention on Climate Change in Baku, Azerbaijan, the EPA announced its final rule implementing the waste emissions charge pursuant to the IRA. Additionally, laws or regulations requiring the collection, measurement and reporting of information and metrics related to climate-related matters (including greenhouse gas emissions) could increase our operating costs and as a result adversely impact our business, financial condition, results of operations and cash flows.

Our business could also be impacted by governmental initiatives to incentivize the conservation of energy or the use of alternative energy sources. These initiatives to reduce energy consumption or incentivize a shift away from fossil fuels could reduce demand for hydrocarbons, thereby reducing demand for the goods and services of our Energy business, and adversely impact our business, financial condition, results of operations and cash flows.

The adoption of additional climate change laws or regulations in the future could result in increased costs for our Energy business customers and us to (1) operate and maintain operating facilities, (2) install new emission controls or abatement technologies (such as CCS technologies) in operating facilities and (3) administer and manage greenhouse gas emissions programs. If we are unable to recover or pass through a significant level of our costs related to complying with climate change regulatory requirements imposed on us, they could have a material adverse effect on our results of operations and financial condition. Further, such legislation or regulation could prevent customer projects from going forward, thereby potentially reducing the need for our products and services. In addition, to the extent financial markets and insurance carriers view climate change and the greenhouse gas emissions of our Energy business customer base as a financial risk, this could negatively impact our cost of and access to capital and insurance.

We may also communicate certain climate-related initiatives, commitments and goals in our SEC filings or in other disclosures, which subjects us to additional risks, including the risk of being accused of greenwashing. Alternatively, we may be accused of “greenhushing” for the failure to communicate certain climate-related initiatives, commitments and goals.

Climate change also subjects us to the risk of increased negative publicity. Negative public perception regarding us and/or the energy industry resulting from, among other things, concerns raised by advocacy groups about oil spills, greenhouse gas emissions, climate change and explosions of or leaks from pipelines carrying crude oil, refined petroleum products or natural gas, may lead to increased regulatory scrutiny, which may, in turn, lead to new safety and environmental laws, regulations, guidelines and enforcement interpretations. These actions may cause operational delays or restrictions, increased operating costs or capital expenditures, additional regulatory burdens and increased risk of litigation for us and our energy industry customers. Furthermore, governmental authorities exercise considerable discretion in the timing and scope of permit issuance required for the operations conducted by or for our energy industry customers and, in many cases, the public may engage in the permitting process. Negative public perception could cause such permits to be withheld, delayed, or burdened by requirements that restrict our ability to profitably conduct business for our energy industry customers. Ultimately, these risks could result in reduced demand for the services and products of our Energy business, which would adversely impact our revenues, and increased costs that may adversely affect our profitability and cash flows.

In addition, climate change legislation and regulation may subject us to increased competition to develop innovative new products that result in lower emissions. Please refer to the risk factor entitled “*Our operations could be adversely impacted by the indirect consequences of climate change and climate-related business trends*” for a discussion of the impact of other climate-related consequences on our business, financial condition, results of operations and cash flows.

Employee, agent or partner misconduct or our overall failure to comply with laws or regulations could weaken our ability to win contracts, which could result in reduced revenue and profits.

Misconduct, fraud, non-compliance with applicable laws and regulations, or other improper activities by one or more of our employees, agents or partners could have a significant negative impact on our business and reputation. Such misconduct could include the failure to comply with the U.S. Foreign Corrupt Practices Act (“FCPA”), which prohibits companies and their intermediaries from making improper payments to non-U.S. officials, as well as the failure to comply with government procurement regulations, regulations on lobbying or similar activities, regulations pertaining to the internal controls over financial reporting and various other applicable laws or regulations, including the U.K. Bribery Act. We operate in some countries that international corruption monitoring groups have identified as having high levels of corruption. Our activities create the risk of unauthorized payments or offers of payments by one of our employees or agents that could be in violation of the FCPA or other applicable anti-corruption laws. The precautions we take to prevent and detect misconduct, fraud or non-compliance with applicable laws and regulations may not be effective, and we could face unknown risks or losses. In December 2024, the Chinese government placed restrictions on and sanctioned our company and certain executives in response to recent U.S. announcements of military sales and aid to Taiwan and in response to the recent approval of the U.S. government’s annual defense spending. We will continue to follow U.S. Government guidance as it relates to sales to Taiwan and do not currently expect a material impact to our business from these actions. Our failure to comply with applicable laws or regulations or acts of misconduct could subject us to fines, penalties or other sanctions, which could have a material adverse effect on our business and our consolidated financial condition, results of operations and cash flows.

Laws and governmental regulations may add to our costs or adversely affect our operations.

Our business is affected by changes in public policy and by federal, state, local and foreign laws and regulations, including those relating specifically to the offshore oil and gas industry. Offshore oil and gas exploration and production operations are affected by tax, environmental, safety and other laws, by changes in those laws, application or interpretation of existing laws, and changes in related administrative regulations. It is possible that such new laws and regulations, or changes to the application or interpretation of existing laws and regulations, may significantly increase our operating costs and those of our customers, or otherwise directly or indirectly affect our operations.

On August 16, 2022, President Biden signed the IRA into law. The IRA contains several revisions to the Internal Revenue Code, including a 15% corporate minimum tax for taxpayers with adjusted financial statement income in excess of \$1.0 billion and a 1% excise tax on corporate stock repurchases made after December 31, 2022. We continue to analyze the potential impact of the IRA on our consolidated financial statements and to monitor guidance issued by the U.S. Department of the Treasury.

Environmental laws and regulations can increase our costs, and our failure to comply with those laws and regulations can expose us to significant liabilities.

Risks of substantial costs and liabilities related to environmental compliance issues are inherent in our operations. Our operations are subject to extensive federal, state, local and foreign laws and regulations relating to the generation, storage, handling, emission, transportation and discharge of materials into the environment. Permits are required for the operation of various facilities, and those permits are subject to revocation, modification and renewal. Governmental authorities have the power to enforce compliance with their regulations, and violations are subject to fines, injunctions or both. In some cases, those governmental requirements can impose liability for the entire cost of cleanup on any responsible party without regard to negligence or fault and impose liability on us for the conduct of or conditions others have caused, or for our acts that complied with all applicable requirements when we performed them. It is possible that other developments, such as stricter environmental laws and regulations, and claims for damages to property or persons resulting from our operations, would result in substantial costs and liabilities. Our insurance policies and the contractual indemnity protection we seek to obtain from our customers may not be sufficient or effective to protect us under all circumstances or against all risks involving compliance with environmental laws and regulations.

Financial Risks

Foreign exchange risks and fluctuations may affect our profitability on certain projects.

We operate on a worldwide basis with substantial operations outside the United States that subject us to U.S. dollar translation and economic risks. In order to manage some of the risks associated with foreign currency exchange rates, we may enter into foreign currency derivative (hedging) instruments, especially when there is currency risk exposure that is not naturally mitigated via our contracts. However, these actions may not always eliminate all currency risk exposure, in particular for our long-term contracts. A disruption in the foreign currency markets, including the markets with respect to any particular currencies, could adversely affect our hedging instruments and subject us to additional currency risk exposure. Based on fluctuations in currency, the U.S. dollar value of our backlog may from time to time increase or decrease significantly. We do not enter into derivative instruments for trading or other speculative purposes. Our operational cash flows and cash balances, though predominately held in U.S. dollars, may consist of different currencies at various points in time in order to execute our contracts globally. Non-U.S. asset and liability balances are subject to currency fluctuations when measured period to period for financial reporting purposes in U.S. dollars.

Maintaining adequate letter of credit and bonding capacity is necessary for us to successfully bid on and win various contracts.

In line with industry practice, we are often required to post standby letters of credit to customers or enter into surety bond arrangements in favor of customers. Those letters of credit and surety bond arrangements generally protect customers against our failure to perform our obligations under the applicable contracts. However, the terms of those letters of credit, including terms relating to the customer's ability to draw upon the letter of credit and the amount of the letter of credit required, can vary significantly. If a letter of credit or surety bond is required for a particular project and we are unable to obtain it due to insufficient liquidity or other reasons, we may not be able to pursue that project. We have limited capacity for letters of credit, and we rely substantially on bilateral letters of credit from various issuing banks in a number of markets. Moreover, due to events that affect the credit markets generally, letters of credit may be more difficult to obtain in the future or may only be available at significant additional cost. Letters of credit, including through our bilateral arrangements (which are cancelable in the discretion of the issuing banks), may not continue to be available to us on reasonable terms. Our inability to obtain adequate letters of credit and surety bonds and, as a result, to bid on new work could have a material adverse effect on our business, cash flows, liquidity, financial condition and results of operations.

Significant inflation and higher interest rates could adversely affect our business and financial condition.

The United States experienced inflationary pricing and increasing construction and labor costs in 2023 and 2022. While the pace of inflation has reduced since 2022, future changes in inflation could have an adverse impact on our business and our financial condition by increasing our costs of materials and labor. In addition, changing and future monetary policies and actions of the Federal Reserve that result from such adverse market and economic conditions (such as raises to the target federal funds rate) could adversely affect our ability to obtain financing and raise our (or our customers') cost of capital. In a highly inflationary environment, we may be unable to raise pricing for our energy services and products at or above the rate of inflation, which could reduce our profit margins and our

cost of capital, labor and materials could increase, which could have an adverse impact on our business and our financial condition.

Public and investor sentiment regarding ESG matters and our industry could adversely affect our business operations and the trading price of our securities.

Businesses across all industries are facing increasing scrutiny from investors, governmental authorities, regulatory agencies and the public related to their ESG practices, including practices and disclosures related to climate change, sustainability, diversity, equity and inclusion initiatives and heightened governance standards. Failure, or a perceived failure, to adequately respond to or meet evolving ESG expectations, concerns and standards may cause us to suffer reputational damage and materially and adversely affect our business or financial condition, or the trading price of our securities. In addition, organizations that provide ESG information to investors have developed ratings processes for evaluating a business entity's approach to ESG matters, and certain members of the broader investment community may consider a business entity's sustainability score as a reputational or other factor in making an investment decision. Consequently, a low sustainability score could result in exclusion of our securities from consideration by certain investment funds and a negative perception of our operations by certain investors. In addition, efforts in recent years aimed at the investment community to limit or curtail activities with companies engaged in the extraction of fossil fuel reserves could limit our ability to access the capital markets to the extent the services we provide to such customers engaged in extraction activities constitute a significant portion of our operations. As a result, such initiatives could have an adverse impact on our business and our financial condition.

Difficulty in obtaining sufficient capital could adversely impact our business and financial condition.

A financial crisis or economic recession could have an adverse impact on our business and our financial condition. In particular, the cost of capital could increase substantially and the availability of funds from the capital markets could diminish significantly. Credit and capital markets have, from time to time, experienced volatility. Our ability to access the capital markets in the future could be restricted or available on terms we do not consider favorable. Limited access to the capital markets could adversely impact our ability to take advantage of business opportunities or react to changing economic and business conditions and could adversely impact our ability to continue our growth strategy. If one or more of the lenders under our revolving credit facility were to become unable or unwilling to perform their obligations under that facility, our borrowing capacity could be reduced. Our inability to borrow under our revolving credit facility could limit our ability to fund our future operations and growth. Ultimately, we could be required to reduce our future capital expenditures substantially and such a reduction could have a material adverse effect on our business and our consolidated financial condition, results of operations and cash flows. A financial crisis or economic recession could also affect our suppliers and our customers, causing them to fail to meet their obligations to us, which could have a material adverse effect on our revenue, income from operations and cash flows.

In addition, we maintain our cash balances and short-term investments primarily in accounts held by major banks and financial institutions located principally in North America, Europe, Africa and Asia, and some of those accounts hold deposits that exceed available insurance. It is possible that one or more of the financial institutions in which we hold our cash and investments could become subject to bankruptcy, receivership or similar proceedings. As a result, we could be at risk of not being able to access material amounts of our cash, which could result in a temporary liquidity crisis that could impede our ability to fund operations.

Strategic Risks Related to our Business

Our business strategy contemplates future acquisitions or dispositions. Acquisitions of other businesses or assets and dispositions of our current businesses or assets present various risks and uncertainties.

We may pursue growth through the acquisition of businesses or assets that will enable us to broaden our service and product offerings and expand into new markets, and, from time to time, we may also consider dispositions of non-strategic assets. We may be unable to implement this element of our growth strategy or our long-term strategy if we cannot identify suitable businesses or assets, reach agreement on potential strategic acquisitions on acceptable terms or for other reasons, or obtain the fair value of the assets or businesses we may sell. Moreover, acquisitions and dispositions involve various risks, including:

- difficulties relating to the assimilation of personnel, services and systems of an acquired business and the assimilation of marketing and other operational capabilities;
- challenges resulting from unanticipated changes in customer and other third-party relationships subsequent to acquisition;

- additional financial and accounting challenges and complexities in areas such as tax planning, treasury management, financial reporting and internal controls;
- assumption of liabilities of an acquired business, including liabilities that were unknown at the time the acquisition transaction was negotiated;
- future realizability of noncash consideration;
- possible liabilities under the FCPA and other anti-corruption laws;
- diversion of management's attention from day-to-day operations;
- failure to realize anticipated benefits, such as cost savings and revenue enhancements;
- potentially substantial transaction costs associated with acquisitions; and
- potential impairment resulting from the overpayment for an acquisition.

Future acquisitions may require us to obtain additional equity or debt financing, which may not be available on attractive terms. Moreover, to the extent an acquisition transaction financed by non-equity consideration results in goodwill, it will reduce our tangible net worth, which might have an adverse effect on credit availability.

Additionally, an acquisition may bring us into businesses we have not previously conducted and expose us to additional business risks that are different from those we have previously experienced.

Our business strategy also includes development and commercialization of new technologies to support our growth. The development and commercialization of new technologies require capital investment and involve various risks and uncertainties.

Our future growth will depend on our ability to continue to innovate by developing and commercializing new service and product offerings. Investments in new technologies involve varying degrees of uncertainties and risk. Commercial success depends on many factors, including the levels of innovation, the development costs and the availability of capital resources to fund those costs, the levels of competition from others developing similar or other competing technologies, our ability to obtain or maintain government permits or certifications, the effectiveness of production, distribution and marketing efforts, and the costs to customers to deploy and provide support for the new technologies. We may not achieve significant revenue from new service and product investments for a number of years, if at all. Moreover, new services and products may not be profitable, and, even if they are profitable, our operating margins from new services and products may not be as high as the margins we have experienced historically.

The loss of the services of one or more of our key personnel, or our failure to attract, assimilate and retain trained personnel in the future, could disrupt our operations and result in loss of revenue.

Our success depends on the continued active participation of our executive officers and key operating personnel. The unexpected loss of the services of any one of these persons could adversely affect our operations.

Our operations require the services of employees having the technical training and experience necessary to obtain the proper operational results. As a result, if we should suffer any material loss of personnel to competitors or be unable to employ additional or replacement personnel with the requisite level of training and experience to adequately operate our equipment, our operations could be adversely affected. A significant increase in the wages paid by other employers could result in a reduction in our workforce, increases in wage rates, or both.

We may not be able to compete successfully against current and future competitors.

Our businesses operate in highly competitive industry segments. Some of our competitors or potential competitors have greater financial or other resources than we have. Our operations may be adversely affected if our current competitors or new market entrants introduce new products or services with better features, performance, prices or other characteristics than those of our services and products. This factor is significant to our segments' operations, particularly in the operating segments within our Energy business, where capital investment is critical to our ability to compete.

Our aspirations, goals, commitment targets and initiatives related to sustainability, including emissions reduction and our public statements and disclosures regarding the same, expose us to numerous risks.

We have developed, and we will continue to develop, goals, targets and other objectives related to sustainability matters, including our 2030 emission reduction targets. Statements related to these goals, targets and objectives are made using various underlying assumptions and reflect our current intentions, and do not constitute a guarantee

that they will be achieved. Our efforts to research, establish, accomplish and accurately report on these goals, targets and other objectives expose us to numerous operational, reputational, financial, legal and other risks. Our ability to achieve any stated goal, target or objective is subject to numerous factors and conditions, many of which are outside of our control, including the availability of alternative energy sources in the jurisdictions in which we operate, the capacity of electrical grids to support traditional and alternative energy sources, and the broader economic and legal circumstances affecting energy and electricity locally. We cannot predict the ultimate impact of achieving our 2030 emissions reduction targets, or the various implementation aspects, on our financial condition and results of operations.

Our business may face increased scrutiny from investors and other stakeholders related to our sustainability activities, including the goals, targets and other objectives that we announce, and our methodologies and timelines for pursuing them. If our sustainability assumptions or practices do not meet investor or other stakeholder expectations and standards, which continue to evolve, our reputation, our ability to attract or retain employees and our attractiveness as an investment or business partner could be negatively affected. Similarly, our failure or perceived failure to pursue or fulfill our sustainability focused goals, targets and objectives, to comply with ethical, environmental or other standards, regulations or expectations, or to satisfy various reporting standards with respect to these matters, within the timelines we announce, or at all, could adversely affect our business or reputation, as well as expose us to government enforcement actions and private litigation.

Risks Related to Intellectual Property, Information Technology and Data Privacy

We rely on intellectual property law and confidentiality agreements to protect our intellectual property. We also rely on intellectual property we license from third parties. Our failure to protect our intellectual property rights, or our inability to obtain or renew licenses to use intellectual property of third parties, could adversely affect our business.

We rely on a variety of intellectual property rights that we use in our services and products, and our success depends, in part, on our ability to protect our proprietary information and other intellectual property. Our intellectual property could be challenged, invalidated, circumvented or rendered unenforceable. In addition, effective intellectual property protection may be limited or unavailable in some foreign countries where we operate.

Our failure to protect our intellectual property rights may result in the loss of valuable technologies or adversely affect our competitive business position. We rely significantly on proprietary technology, information, processes and know-how that are not subject to patent or copyright protection. We seek to protect this information through trade secret or confidentiality agreements with our employees, consultants, subcontractors or other parties, as well as through other security measures. These agreements and security measures may be inadequate to deter or prevent misappropriation of our confidential information. In the event of an infringement of our intellectual property rights, a breach of a confidentiality agreement or divulgence of proprietary information, we may not have adequate legal remedies to protect our intellectual property.

In some instances, we have augmented our technology base by licensing the proprietary intellectual property of third parties. However, it is possible that the tools, techniques, methodologies, programs and components we use to provide our services or products may infringe on the intellectual property rights of others. In the future, we may not be able to obtain necessary licenses on commercially reasonable terms. Royalty payments under licenses from third parties, if available, or developing non-infringing technologies could materially increase our costs. Additionally, if a license or non-infringing technology were not available, we might not be able to continue providing a particular service or product, which could materially and adversely affect our financial condition, results of operations and cash flows.

Litigation to determine the scope of intellectual property rights, even if ultimately successful, could be costly and could divert management's attention away from other aspects of our business. In addition, our trade secrets may otherwise become known or be independently developed by competitors.

Our informational technology "IT" and operational technology "OT" systems are subject to interruption and cybersecurity risks that could adversely impact our operations.

Our operations (both onshore and offshore) are highly dependent on both IT and OT systems and personnel that implement and maintain such systems, including systems that collect, process, store or use personal information, confidential or proprietary information, and other sensitive information about our business and operations, as well as our customers, employees, suppliers and others. Some of these systems are managed or provided by third-party service providers, including certain cloud platform or cloud software providers. As a result, our business operations

could be negatively impacted by a breach or interruption of systems that originates from, or compromises, third-party networks or devices outside of our control.

We have experienced cyber incidents in the past and, although none have been material, we may experience cybersecurity incidents and security breaches in the future. Threats to our IT and OT systems associated with cybersecurity risks, cyber incidents and cyberattacks continue to grow in sophistication and scale. Risks associated with these threats include disruptions of certain systems on our vessels or systems utilized to operate our ROVs; other impairments of our ability to conduct our operations; interruption of internal critical services; interruption of external critical services to customers; interruption of our ability to bill or collect payment from customers; loss of or damage to intellectual property, proprietary information or employee or customer data; disruption of our customers' operations; loss or damage to our employee or customer data delivery systems; damage to our reputation or customer or other business relationships; inability to comply with our contractual or regulatory obligations in a timely manner which could result in civil litigation, regulatory investigations or other enforcement actions by governmental authorities and associated costs, fines or penalties; increased costs to prevent, respond to or mitigate cybersecurity incidents; and diversion of management or work force attention. Such a cyber incident could have a material adverse effect on our business and our consolidated financial condition, results of operations and cash flows.

In addition, certain cyberattacks and related incidents, such as reconnaissance or surveillance by threat actors, may remain undetected for an extended period notwithstanding our monitoring and detection efforts. The increased use of artificial intelligence by threat actors has amplified risks, as AI-driven cyberattacks can automate the discovery of vulnerabilities, generate highly convincing phishing attempts, and evade traditional detection methods. These capabilities may enable attackers to mount more effective and persistent campaigns against our infrastructure. As a result, we may be required to incur additional costs to modify or enhance our IT or OT systems to prevent or remediate any such attacks. While we continue to evaluate potential replacements or upgrades of existing systems, the implementation of new systems or upgrades to existing systems subjects us to inherent costs and risks associated with replacing or changing these systems, including potential disruption of our internal control structure, substantial capital expenditures, demands on management time and other risks. In addition, potential upgrades or updates may not result in productivity improvements at the levels anticipated, or at all. Moreover, the implementation of new, updated, or upgraded systems may cause disruptions in our business operations. Any such disruption, and any other system disruptions, if not anticipated and appropriately mitigated, could have a material adverse effect on our operations.

Finally, laws and regulations we may be subject to governing cybersecurity, such as obligations under the Cyber Incident Reporting for Critical Infrastructure Act, pose increasingly complex compliance challenges, and failure to comply with these laws and regulations could result in fines, penalties, legal liability and damage to our reputation and customer or other business relationships.

Changes in data privacy and security laws, regulations and standards, and emerging laws, regulations and standards surrounding artificial intelligence "AI", may adversely impact our business.

Data privacy and security have become significant regulatory issues and the subject of rapidly evolving laws globally and in the United States. As a result, we are subject to a growing patchwork of privacy regulations imposed by jurisdictions where we operate, including under the European Union's and U.K.'s General Data Protection Regulation, Brazil's General Data Protection Law and in the United States under various state privacy frameworks, such as the California Consumer Privacy Act, the Texas Data Privacy and Security Act, and many more. These regulatory frameworks apply to activities related to the collection, use, disclosure, and transfer of personal data that may be conducted by us or directly or indirectly through our vendors or subcontractors.

Data privacy and security regulations may significantly impact our business activities and require substantial compliance costs that adversely affect our business, operating results, prospects and financial condition. Additionally, any failure by us to comply with these regulations, including as a result of a personal data breach, could result in significant penalties and liabilities for us. Interpretations and enforcement of these laws continue to evolve, and changes to these regulatory interpretations or enforcement of these laws could create a range of new compliance obligations, which could cause us to incur additional costs. Furthermore, foreign, federal, state and local government bodies or agencies have, in the past, adopted—and may in the future adopt—more laws and regulations affecting data privacy and security.

Although these privacy and security laws share similar concepts, each applicable jurisdiction may include important variations, such as differing standards or obligations. Those variations may increase our compliance costs and place increased demand on our resources by creating complex monitoring, control and compliance challenges. Any

failure by us to comply with these laws and regulations, including as a result of a personal data breach, could result in significant penalties and liabilities for us.

Our business and operations could become subject to future legislation, regulation, enforcement strategies and regulatory or judicial interpretations beyond those currently proposed, adopted or contemplated in the U.S. and abroad. Emerging regulatory trends, particularly regarding AI, present new challenges. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, and policies, such as audits and data transfer restrictions that could be applicable to our business, may limit the use and adoption of, and reduce the overall demand for, our solutions.

Finally, if we acquire an entity that has violated or is not in compliance with applicable data privacy and, security laws or regulations (or contractual provisions), we may experience similar adverse consequences.

Risks Related to our Organization and Structure

We may issue preferred stock whose terms could adversely affect the voting power or value of our common stock.

Our certificate of incorporation authorizes us to issue, without the approval of our shareholders, one or more classes or series of preferred stock having such preferences, powers and relative, participating, optional and other rights, including preferences over our common stock respecting dividends and distributions, as our board of directors may determine. The terms of one or more classes or series of preferred stock could adversely impact the voting power or value of our common stock. For example, we might grant holders of preferred stock the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred stock could affect the residual value of the common stock.

Provisions in our corporate documents and Delaware law could delay or prevent a change in control of our company, even if that change would be beneficial to our shareholders.

The existence of some provisions in our corporate documents and Delaware law could delay or prevent a change in control of our company, even if that change would be beneficial to our shareholders. Our certificate of incorporation and bylaws contain provisions that may make acquiring control of our company difficult, including:

- provisions relating to the classification, nomination and removal of our directors;
- provisions regulating the ability of our shareholders to bring matters for action at annual meetings of our shareholders;
- provisions requiring the approval of the holders of at least 80% of our voting stock for a broad range of business combination transactions with related persons; and
- the authorization given to our board of directors to issue and set the terms of preferred stock.

In addition, the Delaware General Corporation Law imposes restrictions on mergers and other business combinations between us and any holder of 15% or more of our outstanding common stock.

General Risks

Our internal controls may not be sufficient to achieve all stated goals and objectives.

Our internal controls and procedures were developed through a process in which our management applied its judgment in assessing the costs and benefits of such controls and procedures, which, by their nature, can provide only reasonable assurance regarding the control objectives. The design of any system of internal controls and procedures is based, in part, on various assumptions about the likelihood of future events. We cannot assure that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

The use of estimates could result in future adjustments to our assets, liabilities and results of operations.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires that our management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Strategy

Oceanering continues to make cybersecurity a priority as the threat landscape evolves and becomes increasingly complex and sophisticated.

Managing Material Risks & Integrated Overall Risk Management

The Company has strategically integrated cybersecurity risk management into its broader risk management framework to promote a company-wide culture of cyber risk awareness. Our Chief Information Technology Officer (“CITO”) and Chief Information Security Officer (“CISO”) work closely with our Enterprise Risk Committee to continuously evaluate and address cyber risks in alignment with business objectives, operational needs and industry-accepted standards, such as the National Institute of Standards and Technology (“NIST”) and the Cybersecurity Maturity Model Certification (“CMMC”) frameworks.

The Company has processes and procedures in place to monitor the prevention, detection, mitigation and remediation of cybersecurity risks. These include but are not limited to:

- Maintaining a defined and practiced incident response plan with dedicated Cybersecurity Event Response and Corporate Crisis Management Teams, including maintaining a 24/7 security operations center (“SOC”);
- Maintaining cyber insurance coverage;
- Employing appropriate incident prevention and detection safeguards;
- Maintaining a defined disaster recovery policy and employing disaster recovery software, where appropriate;
- Educating, training and testing our user community on information security practices and identification of potential cybersecurity risks and threats; and
- Reviewing and evaluating new developments in the cyber threat landscape.

Engaging Third Parties on Risk Management

Recognizing the complexity and evolving nature of cybersecurity risk, Oceanering engages with a range of external support, including cybersecurity consultants, in evaluating, monitoring and testing our cyber management systems and related cyber risks. The Company’s collaboration with these third parties includes audits, threat and vulnerability assessments, incident response plan testing, company-wide monitoring of cybersecurity risks and consultation on security enhancements.

Managing Third Party Risk

Oceanering recognizes the risks associated with the use of vendors, service providers and other third parties that provide information system services to us, process information on our behalf, or have access to our information systems, and the Company has processes in place to oversee and manage these risks. We conduct thorough risk-weighted security assessments of various third parties and maintain ongoing monitoring to ensure compliance with our cybersecurity standards. This monitoring includes both annual assessments and assessments on an ongoing basis.

Risks from Cybersecurity Incidents

To our knowledge, Oceanering has not been subject to cybersecurity incidents that have materially affected, or are reasonably likely to materially affect the Company, its operations or financial standing.

Governance

Risk Management Personnel

Oceanering’s cybersecurity risk management program is overseen by management at multiple levels. The CITO and the Director of IT Security play key roles in assessing, monitoring and managing the Company’s cybersecurity risks with support of the Enterprise Risk Committee, as well as dedicated information technology and security personnel. Our CITO has 20 years of experience as an information technology executive, and earned a Bachelor’s

and Master's degrees in Management Information Systems. Our Director of IT Security has 25 years of experience managing global information technology security and has served as Oceaneering's CISO since 2018. Our Director of IT Security earned a Bachelor's degree in Business and has several relevant certifications including Risk and Information Systems Control ("CRISC"), Information Systems Auditor ("CISA"), Information Systems Security Architecture ("ISSAP"), Security Certified Network ("SCNP"), Information Systems Security ("CISSP") and Cisco Certified Network Associate ("CCNA").

Monitor Cybersecurity Incidents

Our CITO and the Director of IT Security are continually informed and updated about the latest developments in cybersecurity, including emerging threats and innovative risk management techniques. They implement and oversee processes for the regular monitoring of our information systems. This includes the deployment of advanced security measures and regular system audits to identify potential vulnerabilities. In the event of a cybersecurity incident, the Company is equipped with a defined and practiced incident response plan managed by a dedicated Cybersecurity Event Response Team and Corporate Crisis Management Team. This plan includes immediate actions to mitigate the impact and long-term strategies for remediation and prevention of future incidents.

Board of Director Oversight

The Audit Committee of the Company's Board of Directors is responsible for overseeing the Company's cyber risk. The Audit Committee receives regular updates that encompass a broad range of topics, including:

- Current cybersecurity threat landscape and emerging threats;
- Status of ongoing cybersecurity initiatives and strategies;
- Incident reports and learnings from unique cybersecurity events, including those of other companies;
- Compliance status and efforts with regulatory requirements and industry standards;
- Regulatory updates;
- Vulnerability developments; and
- Other cyber risk topics as requested by the Board.

In addition, our Board receives regular presentations from management about cyber risks and controls and has received formal cyber risk training from external advisors. Our Chairman of the Board, Mr. M. Kevin McEvoy, and Ms. Reema Poddar, member of the Board, have each earned a National Association of Corporate Directors ("NACD") Cybersecurity Oversight certification and a Computer Early Response Team ("CERT") Cybersecurity Oversight Certification from Software Engineering Institute, and our Board is composed of directors with diverse qualifications, skills and expertise, including risk management, technology and finance, that we believe equip them to oversee cybersecurity risks effectively.

Item 2. Properties.

We maintain office, shop and yard facilities in various parts of the world to support our operations. We consider these facilities, which we describe below, to be suitable for their intended use and adequate for our current operations. In these locations, we typically own or lease office facilities for our administrative and engineering staff, shops equipped for fabrication, testing, repair and maintenance activities and warehouses and yard areas for storage and mobilization of equipment to work sites. All sites are available to support any of our business segments as the need arises. The groupings that follow associate our significant offices with the primary business segment they serve.

Energy. In general, our Energy business segments share facilities. Our location in Morgan City, Louisiana consists of ROV manufacturing and training facilities, vessel docking facilities, open and covered warehouse space and offices. The Morgan City facilities primarily support ROV and other operations in the United States. We have additional regional and operational support offices for our North Sea, Africa, Brazil and Southeast Asia operations in the following locations:

- Aberdeen, U.K.;
- Stavanger and Bergen, Norway;
- Abu Dhabi, United Arab Emirates;
- Rio de Janeiro and Macaé, Brazil;
- Luanda, Angola;

- Chandigarh, India;
- Perth, Australia;
- Selangor, Malaysia;
- Baku, Azerbaijan;
- Newfoundland, Canada; and
- Loyang, Singapore.

Our principal manufacturing and assembly facilities are located in or near the following locations:

- Houston, Texas;
- Port Fourchon and Lafayette, Louisiana;
- Orlando and Panama City, Florida;
- Aberdeen and Rosyth, Scotland;
- Nodeland and Stavanger, Norway;
- Luanda, Angola;
- Utrecht, Netherlands;
- Selangor, Malaysia;
- Niterói, Brazil; and
- Stuttgart, Germany.

Each of these manufacturing facilities is suitable for its intended purpose and has sufficient capacity to respond to increases in demand that may be reasonably anticipated in the foreseeable future.

For a description of the vessels we use in our Offshore Projects Group operations, see the discussion in Item 1. “Business” under the heading “*GENERAL DEVELOPMENT OF BUSINESS—Energy—Offshore Projects Group.*”

Aerospace and Defense Technologies. Our primary facilities for our ADTech segment are offices and workshops in Hanover, Maryland. We have operational support offices in the following locations:

- Chesapeake, Virginia;
- Houston, Texas; and
- Charleston, South Carolina.

We also have facilities to support our services for the U.S. Navy in these locations: San Diego, California; Bremerton, Washington; and Pearl Harbor, Hawaii.

Item 3. Legal Proceedings.

For information regarding legal proceedings, see the discussion under the caption “Litigation” in Note 9 —“Commitments and Contingencies” in the Notes to Consolidated Financial Statements included in this report, which discussion we incorporate by reference into this Item.

Item 4. Mine Safety Disclosures.

Not applicable.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Our common stock is listed on the New York Stock Exchange under the symbol OII. Our company website address is www.oceaneering.com.

On February 14, 2025, there were approximately 271 holders of record of our common stock. On that date, the closing sales price, as quoted on the New York Stock Exchange, was \$25.48. Although our Board has not declared quarterly dividends since 2017, we review our dividend position on a quarterly basis. The payment of future dividends will depend on our results of operations, financial condition, cash requirements, future business prospects, contractual and indenture restrictions and other factors deemed relevant by our Board of Directors.

In December 2014, our Board of Directors approved a share repurchase program under which we may repurchase up to 10 million shares of our common stock on a discretionary basis. The program calls for any repurchases to be made in the open market, or in privately negotiated transactions from time to time, in compliance with applicable laws, rules and regulations, including Rule 10b-18 under the Securities Exchange Act of 1934, as amended, subject to market and business conditions, levels of available liquidity, cash requirements for other purposes, applicable legal requirements and other relevant factors. The timing and amount of any repurchases will be determined by management based on its evaluation of these factors. We expect that any shares repurchased under the program will be held as treasury stock for future use. The program does not obligate us to repurchase any particular number of shares. Under the program, we had repurchased 2.0 million shares of our common stock for \$100 million through December 31, 2015. We did not repurchase any shares from January 2016 through August 2024. In 2024, we repurchased 0.8 million shares of our common stock for 20 million. From the inception of this program through December 31, 2024, we have repurchased approximately 2.8 million shares of our common stock for a total cost of approximately \$120 million. As of December 31, 2024, we had 7.2 million shares remaining for repurchase under the December 2014 authorization.

Repurchases of Equity Securities

Share repurchase activity during the three-month period ending December 31, 2024, was as follows:

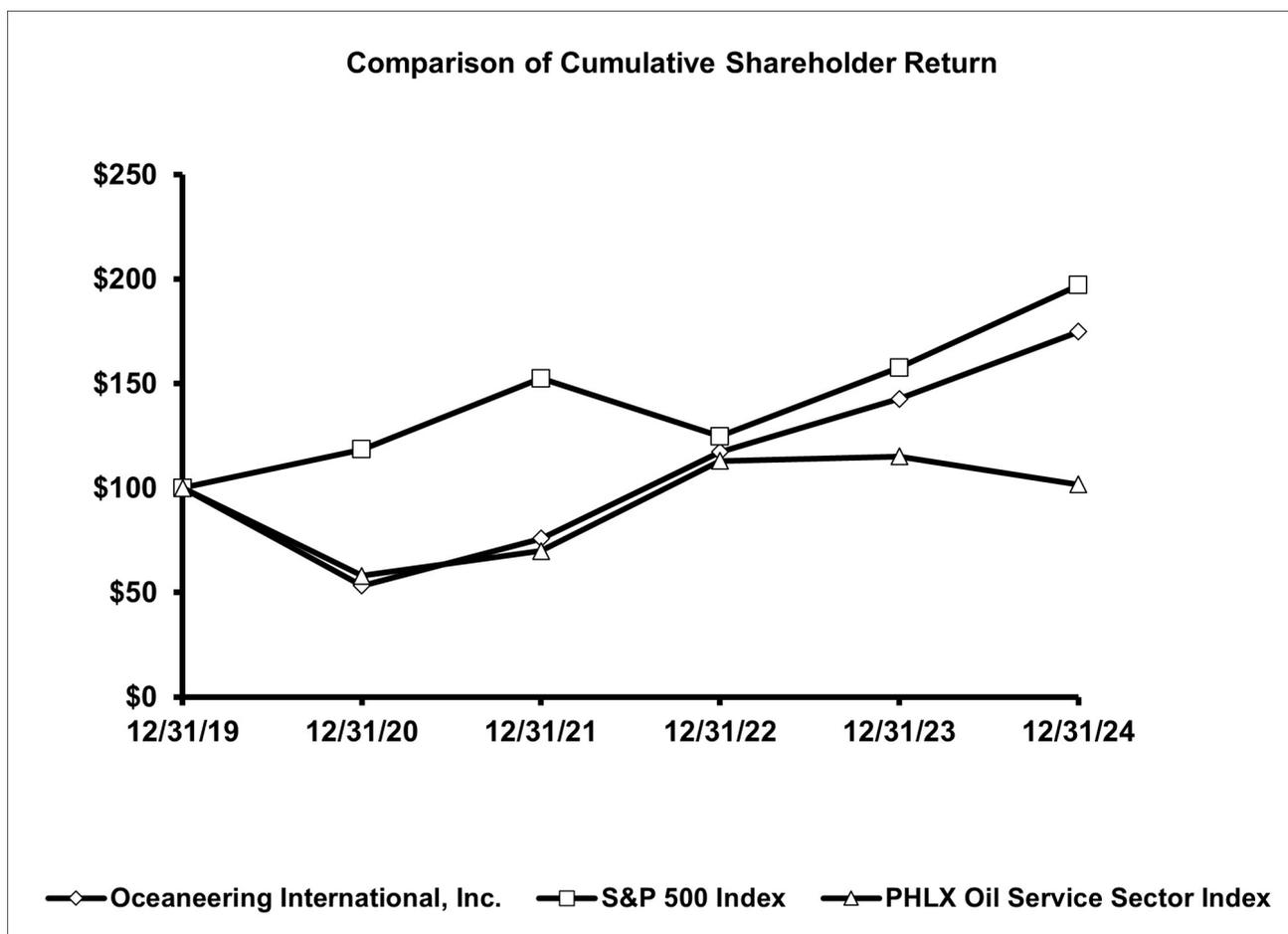
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
October 1 - 31, 2024	200,000	\$24.78	200,000	7,377,771
November 1 - 30, 2024	108,500	\$24.99	108,500	7,269,271
December 1 - 31, 2024	94,698	\$25.22	94,698	7,174,573
	<u>403,198</u>		<u>403,198</u>	

- (1) All purchases during the covered periods were made under the share repurchase program, which was approved by our Board of Directors in December 2014 and which authorized the repurchase of up to 10 million shares of our common stock on a discretionary basis. Under the program, which has no expiration date, we had repurchased 2,000,000 shares for \$100 million through December 31, 2015 and 422,229 shares for 10 million in the third quarter of 2024.

PERFORMANCE GRAPH

The following graph compares our total shareholder return to the Standard & Poor's 500 Stock Index (“S&P 500”) and the PHLX Oil Service Sector Index from December 31, 2019 through December 31, 2024. The PHLX Oil Service Sector Index is designed to track the performance of a set of companies involved in the oil services sector.

It is assumed in the graph that: (1) \$100 was invested in Oceaneering Common Stock, the S&P 500 and the PHLX Oil Service Sector Index on December 31, 2019; and (2) any Oceaneering dividends are reinvested. The shareholder return shown is not necessarily indicative of future performance.



	December 31,					
	2019	2020	2021	2022	2023	2024
Oceaneering International, Inc.	100.00	53.32	75.86	117.30	142.72	174.92
S&P 500 Index	100.00	118.40	152.39	124.79	157.59	197.02
PHLX Oil Service Sector Index	100.00	57.92	69.94	112.94	115.10	101.68

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following information should be read in conjunction with the information contained in "Part I. Item 1. Business," "Part I. Item 1A. Risk Factors" and the audited consolidated financial statements and the notes thereto included under "Item 8. Financial Statements and Supplementary Data" elsewhere in this annual report on Form 10-K. For management's discussion and analysis of our financial condition and results of operations for fiscal year 2023 as compared to fiscal year 2022, please refer to Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Form 10-K for the fiscal year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 23, 2024.

Certain statements in this annual report on Form 10-K, including, without limitation, statements regarding the following matters, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995:

- our business strategy;
- industry conditions and commodity pricing;
- seasonality;
- our expectations about 2025 revenue and results of operations, including items below the income from operations ("operating income") line and segment operating results, and the factors underlying those expectations, including our expectations about demand and pricing for our energy services and products as a result of the factors we specify in "Overview of our Results" and "Results of Operations" below;
- our ability to successfully manage the integration of acquisitions, including the realization of synergies and opportunities for growth and innovation, and the challenges of divestitures;
- our expectations about the balance between energy transition and energy security;
- our emissions reduction targets;
- our backlog, to the extent backlog may be an indicator of future revenue or productivity;
- projections relating to floating rig demand and subsea tree installations;
- our expectations about our ROV fleet utilization, pricing and margins in the future;
- the adequacy of our sources of liquidity, cash flows and capital resources to support our operations and internally generated growth initiatives;
- the collectability of accounts receivable and realizability of contract assets at the amounts reflected on our most recent balance sheet;
- our future working capital needs and our projected capital expenditures for 2025;
- transactions we may engage in to manage our outstanding debt prior or maturity;
- our plans for future operations (including planned additions to and retirements from our remotely operated vehicle ("ROV") fleet);
- our ability and intent to repatriate cash from foreign countries where we have operations;
- our expectations regarding shares that may be repurchased under our share repurchase plan; and
- our expectations regarding the implementation of new accounting standards and related policies, procedures and controls.

These forward-looking statements are subject to various risks, uncertainties and assumptions, including those we refer to under the headings "Cautionary Statement Concerning Forward-Looking Statements" and "Risk Factors" in Part I of this report. Although we believe that the expectations reflected in such forward-looking statements are reasonable, because of the inherent limitations in the forecasting process, as well as the relatively volatile nature of the industries in which we operate, we can give no assurance that those expectations will prove to have been correct. Accordingly, evaluation of our future prospects must be made with caution when relying on forward-looking information.

Our Engagement in the Energy Transition

Oceaneering currently generates a substantial majority of its revenue from the oil and gas sector. Due to the continuing development of economies in developing countries, substantial projected population growth (particularly in developing countries), and the shortage of other sources of affordable, reliable, scalable and efficient energy, as well as rising worldwide demand for a myriad of products made with petrochemicals, we expect that the need for additional oil and gas exploration and development and inspection, maintenance and repair ("IMR") activities will

continue for decades to come. At the same time, due to increasing concerns about climate change, there is growing demand for cleaner hydrocarbon-based and renewable energy sources. We strive to meet the growing need for lower-carbon energy by assisting customers to reduce their carbon emissions in exploring for, developing and producing oil and natural gas, while also diversifying our business into new strategic growth areas in emerging energy and non-energy markets. We believe this measured approach ensures our resilience in an ever-changing market. Today, the impacts of climate-related risks and opportunities and balancing energy security with energy transition are influencing our strategy in the following ways:

- we are continuing to support our customers in producing oil and natural gas to meet global demand for energy, while developing methods to minimize their carbon footprint through increased efficiency and technological innovation;
- we are deploying our competencies and capabilities to serve the energy-transition markets, including those utilizing offshore wind installations (fixed and floating), nuclear, hydrogen, carbon capture and sequestration, and tidal energy technologies; and
- we are diversifying our businesses outside the energy industry into new strategic growth areas, such as mobility solutions and digital asset management, as well as increasing our participation in the defense and aerospace sectors.

We are committed to the research and development of products and services designed to assist our Energy business (defined below) customers in producing energy safely and securely, with decreased risk to humans and marine life, and reduced environmental impacts. For example, we established our first Onshore Remote Operation Center (“OROC”) in Norway in 2015 and have since set up additional dedicated sites in the United States (“U.S.”). OROCs enable customers to reduce their carbon footprint by relocating offshore workers to onshore control centers, thereby enhancing human health and safety, fostering greater collaboration and enabling faster responses to real-time events.

We are also committed to reducing our own energy consumption and the greenhouse gas emissions attributable to our operations. With the help of a third-party consultant over the past several years, we performed a global review of our assets and operations and identified our Scope 1 and Scope 2 emissions for our 2022 baseline in accordance with best practice greenhouse gas accounting methodologies, including the Greenhouse Gas Protocol. In 2023, we established and announced our 2030 greenhouse gas Scope 1 and Scope 2 emission reduction targets against a 2022 baseline. Our 2024 Task Force on Climate-Related Financial Disclosures Report (the “TCFD Report,” which is not incorporated by reference in this Annual Report) outlines our continued commitment to managing the risks and opportunities from climate change and contains our emissions reduction targets as well as our 2022 and 2023 Scope 1 and Scope 2 greenhouse gas emissions data. Our capital investments and expenses required to achieve our goals cannot be estimated at this time.

Overview of Our Results

The table that follows sets out our revenue and operating results for 2024 and 2023.

<i>(dollars in thousands)</i>	Year Ended December 31,	
	2024	2023
Revenue	\$ 2,661,161	\$ 2,424,706
Operating Income (Loss)	246,270	181,328
Operating Income (Loss) %	9 %	7 %
Net Income (Loss)	147,468	97,403

Our business segments are contained within two businesses—services and products provided primarily to the oil and gas industry and, to a lesser extent, the offshore renewables and mobility solutions industry, among others (“Energy”) and services and products provided to non-energy industries (“Aerospace and Defense Technologies” or “ADTech”). Our four business segments within the Energy business are Subsea Robotics, Manufactured Products, Offshore Projects Group (“OPG”) and Integrity Management & Digital Solutions (“IMDS”). We report our Aerospace and Defense Technologies business as one segment. Unallocated Expenses are expenses not associated with a specific business segment. These consist of expenses related to our incentive and deferred compensation plans, including restricted stock and bonuses, as well as other general expenses, including corporate administrative expenses.

Our business primarily depends on the level of spending on offshore developments and related operating activities by our customers in the energy industry. Compared to 2024, our 2023 revenue increased 10% to \$2.7 billion, with revenue growth in all of our operating segments. Consistent with the prior year, we generated a substantial majority of our revenue from services and products we provided to the energy industry in 2024. Consolidated operating income improved during 2024 as compared to 2023 with declines in our IMDS and ADTech segments being more than offset by increases in all other segments.

We had operating income of \$246 million in 2024 and operating income of \$181 million in 2023. In 2024, on a consolidated level, we had net income of \$147 million, or diluted earnings of \$1.44 per share, compared to net income of \$97 million, or diluted earnings of \$0.95 per share, in 2023. The increases in 2024 operating income and net income as compared to 2023 were primarily due to higher revenue in all of our segments as a result of increased activity in energy markets and related growth in our energy businesses. All of our segments, except for IMDS and ADTech, achieved improved sequential annual operating results, led by our Subsea Robotics segment.

We use our ROVs to provide drill support, vessel-based inspection, maintenance and repair, subsea hardware installation, construction, and pipeline inspection services to customers in the energy industry. Most of our ROVs have historically been used to provide drill support services. Therefore, the contracted number of floating drilling rigs is a leading market indicator for this business. The following table shows average floating rigs under contract and our ROV utilization.

	2024	2023
Average number of floating rigs under contract	146	147
ROV days on hire (in thousands)	61	62
ROV utilization	67 %	68 %

Demand for floating rigs is a leading indicator of the strength of the deepwater market. According to comprehensive industry data compiled and published by a leading provider of financial data and market intelligence, excluding rigs under construction, at the end of 2024 there were 192 floating drilling rigs in operation or available for work throughout the world, with 142 of those rigs under contract. The average contracted offshore floating rig count in 2024 was essentially flat at approximately 146 rigs.

Outlook

2025 financial results are expected to improve year-over-year, based on 2024 year-end backlog and ongoing supportive market fundamentals. The number of subsea tree orders and installations is a leading indicator and is the primary demand driver for our Manufactured Products lines. According to data published by a world-leading analysis and consultancy company for the energy sector in December 2024, there are projected to be 285 tree awards and 349 subsea tree installations in 2025, compared to 216 tree awards and 330 installations in 2024 and 239 tree awards and 291 installations in 2023.

We are expecting increased revenue and operating income in 2025 as compared to 2024 for each of our operating segments, led by Subsea Robotics, Manufactured Products and ADTech. We are expecting sequential improvement in our 2025 operating results as compared to 2024 based on our expectations for continued improvement in pricing and margins in our energy-focused businesses and improved margins in our government-focused businesses.

We expect improved results in our Subsea Robotics segment in 2025 based on continued pricing momentum and similar activity levels in our ROV business. Results for tooling-based services are expected to generally follow ROV days utilized and our survey businesses are expected to improve.

We expect our Manufactured Products segment operating results in 2025 to improve on increased revenue, primarily based on 2022 through 2024 order intake in our energy businesses. We believe results will improve on increased conversion of the higher margin backlog activity in our energy businesses compared to 2024 and improved performance in our non-energy products. Our Manufactured Products backlog was \$604 million as of December 31, 2024.

We expect operating results for our OPG segment to improve in 2025 due to increased international activity and an increase in higher margin intervention and installation projects. We also expect no major vessel dry dock costs and improved vessel utilization in 2025.

We anticipate our 2025 operating results for IMDS will improve due to higher revenue from enhanced contract terms. Additionally, we anticipate results in 2025 will improve compared to 2024 as a result of a loss recorded in

2024 from the sale of our Maritime Intelligence business.

We project our ADTech 2025 operating results to be higher on increased revenue as compared to 2024. We anticipate growth in all three of our government-focused businesses.

For 2025, we anticipate Unallocated Expenses to average approximately \$45 million per quarter, with the year-over year increase primarily due to the planned implementation of our new enterprise resource planning (“ERP”) system.

Effects of Inflation and Changing Prices

In order to minimize the negative impact of inflation on our operations, we attempt to cover the increased cost of anticipated changes in labor, material and service costs, either through an estimate of those changes, which we reflect in the original price, or through price escalation clauses in our contracts. Our ability to manage inflation going forward is dependent in part on our continued ability to obtain price escalation clauses in our contracts. While headline inflation was relatively low in 2024, future changes in the rate of inflation could have a material impact on our results in the future, including if we are unable to reflect such anticipated inflation in the original price.

Results of Operations

Additional information on our business segments is shown in Note 10—“Operations by Business Segment and Geographic Area” in the Notes to Consolidated Financial Statements included in this report.

Energy. The table that follows sets out revenue and profitability for the business segments within our Energy business. In the Subsea Robotics section of the table that follows, “ROV Days Utilized” is the number of ROV days for which we earn revenue during a specified period. “ROV Days Available” includes all days from the first day that an ROV is placed in service until the ROV is retired. All days in this period are considered available days, including periods when an ROV is undergoing maintenance or repairs. Our ROVs do not have scheduled maintenance or repair that requires significant time when the ROVs are not available for utilization. “ROV utilization” percentage is defined as “ROV days utilized” divided by “ROV days available.”

<i>(dollars in thousands)</i>	Year ended December 31,	
	2024	2023
Subsea Robotics		
Revenue	\$ 829,822	\$ 752,521
Operating Income (Loss)	235,211	174,293
Operating Income (Loss)%	28 %	23 %
ROV Days Available	91,500	91,250
ROV Days Utilized	61,382	61,874
ROV Utilization %	67 %	68 %
Manufactured Products		
Revenue	555,500	493,692
Operating Income (Loss)	43,000	35,551
Operating Income (Loss)%	8 %	7 %
Backlog at end of period	604,000	622,000
Offshore Projects Group		
Revenue	591,037	546,366
Operating Income (Loss)	73,699	64,546
Operating Income (Loss)%	12 %	12 %
Integrity Management & Digital Solutions		
Revenue	291,866	255,282
Operating Income (Loss)	9,827	13,373
Operating Income (Loss)%	3 %	5 %
Total Energy		
Revenue	\$ 2,268,225	\$ 2,047,861
Operating Income (Loss)	361,737	287,763
Operating Income (Loss)%	16 %	14 %

Subsea Robotics. During the year ended December 31, 2024, we retired eight of our conventional work-class ROV systems and replaced them with eight upgraded conventional work-class ROV systems. During the year ended December 31, 2023, we retired eleven of our conventional work-class ROV systems and replaced them with eleven upgraded conventional work-class ROV systems. Our ROV fleet size was 250 as of December 31, 2024 and 2023.

We believe we are the world's largest provider of work-class ROV services and, generally, this business segment has been the largest contributor to our Energy business operating income. Our ROV business, within our Subsea Robotics segment, reflects the utilization percentages, fleet sizes and average pricing in the respective periods. Our ROV tooling provides an additional operational interface between an ROV and equipment located subsea. Our survey services business provides survey and positioning, and geoscience services. The following table presents revenue from ROV services as a percentage of total Subsea Robotics revenue:

	Year ended December 31,	
	2024	2023
ROV	78 %	77 %
Other	22 %	23 %

For the year ended December 31, 2024, our Subsea Robotics operating income increased as compared to 2023, on higher revenue, as a result of higher average revenue per day for our ROV business and increased activity for tooling that more than offset lower activity levels. We had a slight decrease in days on hire that included a year-over-year increase in drill support days offset by a decrease in vessel support days.

Manufactured Products. For the year ended December 31, 2024, our Manufactured Products revenue and operating results increased, as compared to 2023. Revenue increased primarily due to strong order intake in 2023

and 2022 leading to increased activity in 2024, particularly for our energy-related businesses. Operating income increased for the year ended December 31, 2024, as compared to the prior year, primarily due to increased activity in energy-related businesses partially offset by lower margins in our mobile robotics businesses reflecting costs from our nascent autonomous transport systems projects along with losses incurred in our entertainment systems business.

Our Manufactured Products backlog was \$604 million as of December 31, 2024, a \$18 million, or 3%, decrease from December 31, 2023. Our book-to-bill ratio was 0.97 for the year ended December 31, 2024, as compared with a book-to-bill ratio of 1.31 for the year ended December 31, 2023.

Offshore Projects Group. Our OPG operating results for the year ended December 31, 2024 increased as compared to 2023, on higher revenue primarily due to increased activity levels in West Africa and Gulf of Mexico regions partially offset by reduced volume in the Middle East and Asia-Pacific regions.

Integrity Management & Digital Solutions. For the year ended December 31, 2024, compared to 2023, our IMDS operating results decreased despite higher revenue. Revenue was higher primarily due to increases in our integrity management business primarily due to increased work scope on international projects. The decrease in operating income was primarily due to a one-time, noncash charge associated with the divestiture of our Maritime Intelligence division in September 2024.

Aerospace and Defense Technologies. Revenue and operating income information for our ADTech segment are as follows:

<i>(dollars in thousands)</i>	Year ended December 31,	
	2024	2023
Revenue	\$ 392,936	\$ 376,845
Operating Income	42,201	45,003
Operating Income %	11 %	12 %

For the year ended December 31, 2024, compared to 2023, our ADTech segment operating results decreased on increased levels of revenue. While ADTech experienced increased activity in our defense subsea technologies business, this increase was offset by a reserve taken during the second quarter of 2024 for a contract dispute and lower activity levels in our space systems business.

Unallocated Expenses. Our unallocated expenses, (*i.e.*, those not associated with a specific business segment), within operating expenses consist of expenses related to our incentive and deferred compensation plans, including restricted stock units, performance units and bonuses, as well as other general expenses, plus general and administrative expenses related to corporate functions.

The following table sets forth our Unallocated Expenses for the periods indicated:

<i>(dollars in thousands)</i>	Year ended December 31,	
	2024	2023
Operating expenses	(157,668)	(151,438)
% of revenue	6 %	6 %

Our unallocated expenses for the year ended December 31, 2024 increased compared to 2023, primarily due to higher information technology costs including increased cybersecurity protection costs.

Other. The following table sets forth our significant financial statement items below the operating income (loss) line:

<i>(dollars in thousands)</i>	Year ended December 31,	
	2024	2023
Interest income	\$ 12,124	\$ 15,425
Interest expense	(37,917)	(36,523)
Equity earnings (loss) of unconsolidated affiliates	929	2,061
Other income (expense), net	3,510	(1,236)
Provision (benefit) for income taxes	77,448	63,652

Interest income for the year ended December 31, 2024 as compared to 2023, decreased primarily due to a lower average cash balance in 2024, along with a different geographic mix for our cash balances.

In addition to interest on borrowings, interest expense includes amortization of loan costs and debt discount, benefit from the interest rate swap settlements, and fees for lender commitments under our senior secured revolving credit agreement and fees for standby letters of credit and bank guarantees that banks issue on our behalf for performance bonds, bid bonds and self-insurance requirements. Interest expense was higher in the year ended December 31, 2024 as compared to 2023, primarily due to the benefit in 2023 resulting from the amortization of \$4.4 million of interest expense for our interest rate swaps, including \$2.7 million for the pro-rata write-off of interest rate swap settlement gains, associated with the 4.650% Senior Notes due in 2024. We have not capitalized interest since 2019; however, we do anticipate capitalizing interest beginning in 2025 related to the planned implementation of our new ERP system.

Foreign currency transaction gains and losses are a component of other income (expense), net for the year ended December 31, 2024. In the year ended December 31, 2024 and 2023, we incurred foreign currency transaction gains (losses) of \$0.9 million and less than \$(0.1) million, respectively. We could incur further foreign currency exchange gains (losses) in countries where we operate due to foreign currency exchange fluctuations.

Our tax provision is based on (1) our earnings for the period and other factors affecting the tax provision and (2) the operations of foreign branches and subsidiaries that are subject to local income and withholding taxes. Factors that affect our tax rate include our profitability levels in general and the geographical mix of our results. The effective tax rate for the twelve-month periods ended December 31, 2024 and 2023 was different than the U.S. federal statutory rate of 21%, primarily due to the geographical mix of revenue and earnings, changes in valuation allowances and uncertain tax positions, and other discrete items. We do not believe a comparison of the effective tax rate for the twelve-month periods ended December 31, 2024 and 2023, is meaningful. We continue to make an assertion to indefinitely reinvest the unrepatriated earnings of any foreign subsidiary that would incur material tax consequences upon the distribution of such earnings.

During the twelve-month period ended December 31, 2023, we received refunds of \$23 million, including interest of \$1.7 million, which was recorded as a tax benefit under the U.S. Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act").

We establish valuation allowances for deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized in the future. Based on the available positive and negative evidence, including historical and forecasted earnings, we believe it is more likely than not that the deferred tax assets in several non-U.S. jurisdictions will be realized. Accordingly, during the twelve-month periods ended December 31, 2024, we partially released valuation allowances for the deferred tax assets that we believe are more likely than not to be realized. In accordance with applicable accounting standards, the valuation allowance decreased by \$23 million in 2024 and \$21 million in 2023.

Our income tax payments for the full year of 2025 are estimated to be in the range of \$110 million to \$120 million, which includes taxes incurred in countries that impose tax on the basis of in-country revenue, without regard to the profitability of such operations.

Liquidity and Capital Resources

We consider our liquidity and capital resources adequate to support our operations, capital commitments and strategic growth initiatives as well as any opportunistic returns of capital to shareholders. Our material cash commitments consist primarily of obligations for long-term debt, purchase obligations as part of normal operations, and operating leases for land, buildings, vessels and equipment for the operation of our business and to support some of our service line revenue streams. Our purchase obligations include agreements to purchase goods and services as well as commitments for capital assets used in the normal operations of our business. We are committed to maintaining strong liquidity and believe that our cash position, undrawn Revolving Credit Agreement (as defined below), and long-term debt maturity profile provide us with ample resources and time to address our liquidity needs, including potential future growth opportunities and working capital needs.

As of December 31, 2024, we had net working capital of \$591 million, including cash and cash equivalents of \$498 million. Additionally, as of December 31, 2024, we had \$215 million of unused commitments through our senior secured revolving credit agreement that we entered into in April 2022 (as amended by an Agreement and Amendment No. 1 to Credit Agreement, dated September 20, 2023, the "Revolving Credit Agreement"), which is further described below and in Note 8—"Debt" in the Notes to Consolidated Financial Statements included in this

report. Availability under the \$215 million revolving credit facility (the “Revolving Credit Facility”) may be limited by certain financial covenants and the requirement that any borrowing under the Revolving Credit Facility not require the granting of any liens to secure any senior notes issued by us. The indenture governing the 2028 Senior Notes (defined below) generally limits our ability to incur secured debt for borrowed money (such as borrowings under the Revolving Credit Facility) to 15% of our Consolidated Net Tangible Assets (as defined in such indentures). As of December 31, 2024, we were in compliance with all the covenants set forth in the Revolving Credit Agreement and the full \$215 million was available to borrow under the Revolving Credit Facility.

Our nearest maturity of indebtedness is \$500 million of our 2028 Senior Notes (defined below). As of December 31, 2024, we had \$508 million of purchase obligations including \$391 million payable within the next twelve months and \$117 million thereafter. For more on our operating leases for land, buildings, vessels and equipment for the operation of our business and their scheduled maturities, see Note 4—“Leases” in the Notes to Consolidated Financial Statements included in this report.

From time to time, we may engage in certain transactions in order to manage our outstanding debt prior to maturity, including repurchases via open-market or privately negotiated transactions, redemptions, exchanges, tender offers or otherwise. For instance, in 2021, we repurchased \$100 million in aggregate principal amount of our 4.650% Senior Notes due 2024 (the “2024 Senior Notes”) in open-market transactions. On October 2, 2023, we repurchased \$312 million principal amount of the 2024 Senior Notes at par plus accrued and unpaid interest of \$5.5 million for approximately \$318 million in the Tender Offer (as defined below), and pursuant to our optional redemption right under the indenture governing the 2024 Senior Notes, we redeemed all of the remaining \$88 million principal amount outstanding of the 2024 Senior Notes at par on November 2, 2023 (the “Redemption Date”), which we financed with cash on hand. See “—Financing Activities” and Note 8—“Debt” in the Notes to Consolidated Financial Statements included in this report for additional information on the Tender Offer (as defined below), the redemption of the 2024 Senior Notes and the scheduled maturities of our long-term debt. We can provide no assurances as to the timing of any future repurchases or whether we will complete any repurchases at all.

Changes impacting our cash and cash equivalents for the years ended December 31, 2024 and 2023 are summarized as follows:

<i>(in thousands)</i>	Year ended December 31,	
	2024	2023
Changes in Cash:		
Net Cash Provided by Operating Activities	\$ 203,214	\$ 209,955
Net Cash Used in Investing Activities	(124,171)	(86,353)
Net Cash Used in Financing Activities	(27,042)	(227,297)
Effect of exchange rates on cash	(16,051)	(3,484)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ 35,950</u>	<u>\$ (107,179)</u>

Operating activities. Our primary sources and uses of cash from operating activities for the years ended December 31, 2024 and 2023 are as follows:

<i>(in thousands)</i>	Year ended December 31,	
	2024	2023
Cash Flows from Operating Activities:		
Net income (loss)	\$ 147,468	\$ 97,403
Noncash adjustments:		
Depreciation and amortization	103,443	104,960
Deferred income tax provision (benefit)	(11,293)	(26,785)
Other noncash	14,584	13,415
Total noncash adjustments	106,734	91,590
Accounts receivable and contract assets	(8,000)	(83,075)
Inventory	(13,092)	(25,423)
Current liabilities	8,663	125,695
Other changes	(38,559)	3,765
Net Cash Provided by Operating Activities	\$ 203,214	\$ 209,955

Net cash provided by operating activities for the years ended December 31, 2024 and 2023 of \$203 million and \$210 million, respectively, was affected by the following:

- *Accounts receivable and contract assets* - The decrease in cash related to accounts receivable and contract assets in 2024 and 2023 reflects the timing of project milestones and customer payments.
- *Inventory* - The decrease in cash related to inventory in 2024 and 2023 corresponds with an increase in our backlog along with the impact of higher inflation in 2023 as compared to 2024.
- *Current liabilities* - The increase in cash related to current liabilities in 2024 and 2023 reflects the timing of vendor payments and increased contract liabilities due to an increase in deferred customer prepayments.

Investing activities. In 2024, we used \$124 million in net investing activities, primarily for capital expenditures of \$107 million that included increased spending in our OPG segment to add capabilities and maintain current operations. An additional \$27 million was incurred for the acquisition of Global Design Innovation Ltd. (“GDi”), a U.K.-based provider of digital and software services, and \$7.0 million was incurred for purchase of Angolan bonds, partially offset by \$12 million in proceeds from sale of equity investments. In 2023, we used \$86 million in net investing activities, primarily for capital expenditures of \$101 million that included increased spending in our Subsea Robotics segment for ROV upgrades and replacements.

Our capital expenditures during 2024 and 2023 included \$64 million and \$67 million, respectively, in our Subsea Robotics segment, principally for upgrades to our ROV fleet and to replace certain units we retired. We currently plan to add new ROVs only to meet contractual commitments. In 2024, we retired eight of our conventional work-class ROV systems and replaced them with eight upgraded conventional work-class ROV systems. Our ROV fleet size was 250 as of December 31, 2024 and 2023. Additionally, we offer the *Freedom*, a hybrid autonomous underwater vehicle (“AUV”) and ROV that can complete surveys, commissioning, inspections, maintenance, and repairs without the need for a pilot to monitor and control the entire operation.

These outlays were partially offset in 2023 by \$7.8 million of proceeds received from the sale of various assets and \$6.2 million of cash proceeds from the maturity of our Angolan bonds on September 1, 2023.

We have several deepwater vessels under a mix of short-term charters where we can see firm workload and spot charters as market opportunities arise. During the second quarter of 2023, we entered into three new long-term charters for deepwater vessels, two of which began in the third and fourth quarters of 2023 and the other that began in the first quarter of 2024. Additionally, we have three long-term charters that began in 2022. With the current market conditions, we may add additional chartered vessels throughout the year to align with our strategy that balances vessel cost, availability and capability to capture work. We expect to do this through the continued utilization of a mix of short-term, spot and long-term charters.

In 2025, we expect our organic capital expenditures to total between \$130 million and \$140 million, exclusive of business acquisitions but inclusive of \$15 million to \$20 million in capital expenditures for the planned implementation of our new ERP system, as compared to \$107 million of organic and \$27 million of inorganic capital expenditures in 2024. We expect to fund the 2025 capital expenditures using our available cash. We remain committed to maintaining strong liquidity and believe that our cash position, undrawn revolving credit facility, and debt maturity profile should provide us with ample resources and time to address potential future growth opportunities and to improve our returns.

Financing activities. In 2024 we used \$27 million of cash in financing activities primarily due to the repurchase of 0.8 million shares of our common stock for approximately 20 million, along with \$6.9 million for payment of tax withholding related to vesting of stock awards.

In 2023 we used \$227 million of cash in financing activities primarily due to payment of \$400 million outstanding principal amount of the 2024 Senior Notes, partially offset by receipt of \$178 million in net proceeds from the offering of the New 2028 Senior Notes (defined below). In 2023, we used \$5.0 million of cash in financing activities primarily due to payment of tax withholding related to vesting of stock awards.

As of December 31, 2024, we had long-term debt in the principal amount of \$500 million outstanding and \$215 million of unused commitments under our Revolving Credit Agreement. On September 20, 2023, we entered into an Agreement and Amendment No. 1 to the Revolving Credit Agreement which extended the maturity of the commitments thereunder to April 8, 2027. As of December 31, 2024, we were in compliance with all the covenants set forth in the credit agreement governing the Revolving Credit Agreement.

We have not guaranteed any debt not reflected on our consolidated balance sheets as of December 31, 2024 and 2023, and we do not have any off-balance sheet arrangements, as defined by SEC rules.

2024 Senior Notes. In November 2014, we completed the public offering of \$500 million aggregate principal amount of 4.650% Senior Notes due 2024. We paid interest on the 2024 Senior Notes on May 15 and November 15 of each year. While the 2024 Senior Notes were scheduled to mature on November 15, 2024, prior to such maturity we repurchased \$312 million principal amount of the 2024 Senior Notes on October 2, 2023, in the Tender Offer (as defined below), and we redeemed all of the remaining \$88 million principal amount outstanding of the 2024 Senior Notes at par on the Redemption Date, November 2, 2023. As of December 31, 2023, there were no 2024 Senior Notes outstanding.

We had two interest rate swaps in place relating to a total of \$200 million of the 2024 Senior Notes for the period to November 2024. In March 2020, we settled both interest rate swaps with the counterparty for cash proceeds of \$13 million. The settlement resulted in a \$13 million increase to our long-term debt balance that was being amortized as a reduction to interest expense prospectively through the maturity date for the 2024 Senior Notes using the effective interest method. Upon retirement of the 2024 Senior Notes, we wrote off the related unamortized interest rate swaps and debt issuance cost balances. We amortized \$4.4 million to interest expense, including \$2.7 million for the pro-rata write-off of interest rate swap settlement gains associated with the 2024 Senior Notes repurchases discussed above, for the year ended December 31, 2023. See Note 8—“Debt” in the Notes to Consolidated Financial Statements included in this report for a description of these interest rate swaps.

2028 Senior Notes. In February 2018, we completed the public offering of \$300 million aggregate principal amount of 6.000% Senior Notes due 2028 (the “Existing 2028 Senior Notes”) and on October 2, 2023, we completed a private placement of \$200 million aggregate principal amount of additional 2028 Senior Notes (the “New 2028 Senior Notes”) and, together with the Existing 2028 Senior Notes, the “2028 Senior Notes”). The New 2028 Senior Notes constituted an additional issuance of the Existing 2028 Senior Notes and form a single series with such notes. We pay interest on the 2028 Senior Notes on February 1 and August 1 of each year. The 2028 Senior Notes are scheduled to mature on February 1, 2028. We may redeem some or all of the 2028 Senior Notes at specified redemption prices. We received net proceeds from the offering of the New 2028 Senior Notes of \$178 million, after deducting the initial purchasers’ discounts and offering expenses. As of December 31, 2024, there was \$500 million of the 2028 Senior Notes outstanding.

On October 2, 2023, we used the net proceeds from the offering discussed above, together with cash on hand, to fund our offer to purchase (the “Tender Offer”) for cash any and all of the \$400 million principal amount outstanding of the 2024 Senior Notes. We repurchased \$312 million principal amount of the 2024 Senior Notes at par plus accrued and unpaid interest of \$5.5 million for approximately \$318 million. The consummation of the Tender Offer was contingent upon the completion of the offering discussed above, which was satisfied on October 2, 2023.

We redeemed all of the remaining \$88 million principal amount outstanding of the 2024 Senior Notes at par on the Redemption Date, November 2, 2023, and financed the redemption with cash on hand.

Revolving Credit Agreement. On April 8, 2022, we entered into a new senior secured revolving credit agreement with a group of banks (as amended by an Agreement and Amendment No. 1 to Credit Agreement, dated September 20, 2023, the “Revolving Credit Agreement”). The commitments under the Revolving Credit Agreement are scheduled to mature on April 8, 2027. The Revolving Credit Agreement includes a \$215 million revolving credit facility (the “Revolving Credit Facility”), with a \$100 million sublimit for the issuance of letters of credit. Our obligations under the Revolving Credit Agreement are guaranteed by certain of our wholly owned subsidiaries and are secured by first priority liens on certain of our assets and those of the guarantors, including, among other things, intellectual property, inventory, accounts receivable, equipment and equity interests in subsidiaries. As of December 31, 2024, we had no borrowings outstanding under the Revolving Credit Facility and no letters of credit outstanding under the Revolving Credit Agreement.

We may borrow under the Revolving Credit Facility at either (1) a base rate, determined as the greatest of (A) the prime rate of Wells Fargo Bank, National Association, (B) the federal funds effective rate plus $\frac{1}{2}$ of 1% and (C) Adjusted Term Secured Overnight Financing Rate (“SOFR”) (as defined in the Revolving Credit Agreement for a one-month tenor plus 1%, in each case plus the applicable margin, which varies from 1.25% to 2.25% depending on our Consolidated Net Leverage Ratio (as defined in the Revolving Credit Agreement), or (2) Adjusted Term SOFR plus the applicable margin, which varies from 2.25% to 3.25% depending on our Consolidated Net Leverage Ratio. We will also pay a facility fee based on the amount of the underlying commitment that is being utilized, which fee varies from 0.300% to 0.375%, with the higher rate owed when we use the Revolving Credit Facility less.

The Revolving Credit Agreement includes financial covenants that are tested on a quarterly basis, based on the rolling four-quarter period that ends on the last day of each fiscal quarter. The maximum permitted Consolidated Net Leverage Ratio is initially 4.00 to 1.00 and subsequently decreased to 3.25 to 1.00. As of December 31, 2024 and 2023, the maximum permitted Consolidated Net Leverage Ratio was 3.25 to 1.00 and will not change during the remaining term of the Revolving Credit Facility. The minimum Consolidated Interest Coverage Ratio (as defined in the Revolving Credit Agreement) is 3.00 to 1.00 throughout the term of the Revolving Credit Facility. Availability under the Revolving Credit Facility may be limited by these financial covenants and the requirement that any borrowing under the Revolving Credit Facility not require the granting of any liens to secure any senior notes issued by us. The indentures governing the 2028 Senior Notes generally limit our ability to incur secured debt for borrowed money (such as borrowings under the Revolving Credit Facility) to 15% of our Consolidated Net Tangible Assets (as defined in such indentures). As of December 31, 2024, the full \$215 million was available to borrow under the Revolving Credit Facility. In addition, the Revolving Credit Agreement contains various covenants that we believe are customary for agreements of this nature, including, but not limited to, restrictions on our ability and the ability of each of our subsidiaries to incur debt, grant liens, make certain investments, make distributions, merge or consolidate, sell assets and enter into certain restrictive agreements. As of December 31, 2024, we were in compliance with all the financial covenants set forth in the Revolving Credit Agreement.

Debt Issuance Costs, Discounts and Interest. We incurred \$6.9 million of issuance costs related to the 2024 Senior Notes. These costs were included as a reduction of long-term debt in our consolidated balance sheet. We were amortizing these costs to interest expense through the maturity date. In the year ended December 31, 2023, we amortized \$1.3 million to interest expense, including \$0.7 million, for the write-off of the debt issuance costs balance associated with the retirement of the 2024 Senior Notes discussed above.

We incurred \$7.1 million of issuance costs related to the 2028 Senior Notes and \$4.0 million of loan costs related to the Revolving Credit Agreement. These costs, net of accumulated amortization, are included as a reduction of long-term debt in our consolidated balance sheets, as they pertain to the 2028 Senior Notes, and in other noncurrent assets as they pertain to the Revolving Credit Agreement. We are amortizing these costs to interest expense through the respective maturity dates for the 2028 Senior Notes and the Revolving Credit Agreement using the straight-line method, which approximates the effective interest rate method. As a result, we amortized \$2.1 million and \$1.6 million for the years ended December 31, 2024 and 2023, respectively.

We recorded a discount of \$20 million related to the 2028 Senior Notes issued in October 2023. This cost, net of accumulated amortization, is included as a reduction of long-term debt in our consolidated balance sheets and is being amortized to interest expense through the maturity date of the 2028 Senior Notes using the straight-line method, which approximates the effective interest rate method. In the years ended December 31, 2024 and 2023, we amortized \$4.0 million and \$0.9 million, respectively, to interest expense.

Share Repurchase Program. In December 2014, our Board of Directors approved a share repurchase program under which we may repurchase up to 10 million shares of our common stock on a discretionary basis. The program calls for any repurchases to be made in the open market, or in privately negotiated transactions from time to time, in compliance with applicable laws, rules and regulations, including Rule 10b-18 under the Securities Exchange Act of 1934, as amended, subject to market and business conditions, levels of available liquidity, cash requirements for other purposes, applicable legal requirements and other relevant factors. Under this program, which has no expiration date, we repurchased 2.0 million shares of our common stock for \$100 million in 2015. We did not repurchase any shares from January 2016 through August 2024. In the year ended December 31, 2024, we repurchased 0.8 million shares for 20 million. From the inception of this program through December 31, 2024, we have repurchased approximately 2.8 million shares of our common stock for a total cost of approximately \$120 million. As of December 31, 2024, we retained 10 million of the shares we had repurchased through this and a prior repurchase program. We account for the shares we hold in treasury under the cost method, at average cost. The timing and amount of any future repurchases will be determined by our management. We expect that any additional shares repurchased under the plan will be held as treasury stock for possible future use. The plan does not obligate us to repurchase any particular number of shares.

Foreign Currency Adjustments. Because of our significant foreign operations, we are exposed to currency fluctuations and exchange rate risks. A stronger U.S. dollar against any of the foreign currencies where we conduct business could result in lower operating income. We generally minimize these risks primarily through matching, to the extent possible, revenue and expense in the various currencies in which we operate. Cumulative translation adjustments as of December 31, 2024 relate primarily to our net investments in, including long-term loans to, our foreign subsidiaries. See Item 7A—“Quantitative and Qualitative Disclosures About Market Risk.”

Critical Accounting Policies and Estimates

We have based the following discussion and analysis of our financial condition and results of operations on our consolidated financial statements, which we have prepared in conformity with accounting principles generally accepted in the United States. These principles require us to make various estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the periods we present. We base our estimates on historical experience, available information and other assumptions we believe to be reasonable under the circumstances. On an ongoing basis, we evaluate our estimates; however, our actual results may differ from these estimates under different assumptions or conditions. The following discussion summarizes the accounting policies we believe (1) require our management's most difficult, subjective or complex judgments and (2) are the most critical to our reporting of results of operations and financial position. See Note 1—“Summary of Significant Accounting Policies” in the Notes To Consolidated Financial Statements included in this report for discussion of our significant accounting policies.

Revenue Recognition. We account for significant fixed-price contracts, mainly relating to our Manufactured Products segment, and to a lesser extent in our OPG and ADTech segments, by recognizing revenue over time using the cost-to-cost input method to measure progress toward satisfaction of an over-time performance obligation. This commonly used method is based on the premise that costs incurred are proportionate to progress towards satisfaction of the performance obligation and is measured by comparing project costs-to-date to total estimated costs. The performance obligation is satisfied as we create a product on behalf of the customer over the life of the contract. We apply judgment in estimating project status and the costs necessary to complete projects. For the year ended December 31, 2024, we recognized approximately 19 of our revenue over time using the cost-to-cost input method.

While our contracts predominantly only contain one performance obligation and a limited number have variable consideration, we apply judgment, when applicable, in the determination and allocation of transaction price to performance obligations and the subsequent recognition of revenue, based on the facts and circumstances of each contract. We routinely review estimates related to our contracts and, where required, reflect revisions to profitability in earnings immediately. If an element of variable consideration has the potential for a significant future reversal of revenue, we will constrain that variable consideration to a level intended to remove the potential future reversal. If a current estimate of total contract cost indicates an ultimate loss on a contract, we recognize the projected loss in full when we determine it. We did not have any material adjustments during the years ended December 31, 2024 and 2023, however, should our judgments and estimates regarding the elements of revenue recognition change, it could have a material effect on our results of operations for the periods involved.

Impairment of Property and Equipment, Long-lived Intangible Assets and Right-of-Use Operating Lease Assets. We periodically, and upon the occurrence of a triggering event, review the realizability of our property and

equipment, long-lived intangible assets and right-of-use operating lease assets to determine whether any events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. For long-lived assets to be held and used, we base our evaluation on impairment indicators such as the nature of the assets, the future economic benefits of the assets, any historical or future profitability measurements and other external market conditions or factors that may be present. If such impairment indicators are present or other factors exist that indicate that the carrying amount of an asset may not be recoverable, we determine whether an impairment has occurred through the use of an undiscounted cash flows analysis of the asset at the lowest level for which identifiable cash flows exist. If an impairment has occurred, we recognize a loss for the difference between the carrying amount and the fair value of the asset.

Our estimates of fair values for our asset groups require us to use significant unobservable inputs, classified as Level 3 fair value measurements, including assumptions related to future performance, risk-adjusted discount rates, future commodity prices and demand for our services and estimates of expected realizable value. These assumptions incorporate inherent uncertainties, including estimates of projected supply and demand for our products and services and future market conditions, which are subjective and difficult to predict due to volatility in overall economic environments, among other things, and could result in impairment charges in future periods if actual results differ materially from the assumptions used in our forecasts. Also, if market conditions deteriorate significantly, we could be required to record additional impairments, which could have a material adverse impact on our operating results.

We did not identify any triggering events and, accordingly, no impairments of long-lived assets were recorded in the years ended December 31, 2024 or 2023.

Income Taxes. Our tax provisions are based on our expected taxable income, statutory rates and tax-planning opportunities available to us in the various jurisdictions in which we operate. The determination of taxable income in any jurisdiction requires the interpretation of the related tax laws. We are at risk that a taxing authority's final determination of our tax liabilities may differ from our interpretation.

We account for any applicable interest and penalties on uncertain tax positions as a component of our provision for income taxes on our financial statements. Current income tax expense represents either nonresident withholding taxes or the liabilities expected to be reflected on our income tax returns for the current year, while the net deferred income tax expense or benefit generally represents the change in the balance of deferred tax assets or liabilities, except for currency translation adjustments, as reported on our balance sheet.

We establish valuation allowances to reduce deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized in the future. If the current market dynamics are sustained and absent any additional objective negative evidence, we may have sufficient positive evidence in the next twelve months to adjust our valuation allowance position for certain jurisdictions. The exact timing and amount of the adjustment to the valuation allowance is not certain at this time. Changes to valuation allowances impact our income tax provision in the period in which such adjustments are identified and recorded.

Contractual Obligations

As of December 31, 2024, we had payments due under contractual obligations as follows:

<i>(dollars in thousands)</i>	Payments due by period				
	Total	2025	2026-2027	2028-2029	After 2029
Long-term Debt	\$ 500,000	\$ —	\$ —	\$ 500,000	\$ —
Purchase Obligations	508,239	390,823	97,958	12,133	7,325
Operating Lease Liabilities	442,763	149,540	118,745	52,947	121,531
Other Long-term Obligations reflected on our Balance Sheet under U.S. GAAP	38,446	132	319	374	37,621
TOTAL	\$ 1,489,448	\$ 540,495	\$ 217,022	\$ 565,454	\$ 166,477

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to certain market risks arising from transactions we enter into in the normal course of business. These risks relate to interest rate changes and fluctuations in foreign exchange rates. As of December 31, 2024, we do not believe these risks are material to our earnings. However, with the expansion of our international operations, we could be exposed to additional market risks from fluctuations in foreign currency exchange rates in the future. We have not entered into any market-risk-sensitive instruments for speculative or trading purposes. When we have a significant amount of borrowings, we may manage our exposure to interest rate changes through the use of a combination of fixed- and floating-rate debt. See Note 8—"Debt" in the Notes to Consolidated Financial Statements included in this report for a description of our revolving credit agreement and interest rates on our borrowings. We believe significant interest rate changes would not have a material near-term impact on our future earnings or cash flows.

Because we operate in various regions in the world, we conduct a portion of our business in currencies other than the U.S. dollar. The functional currency for most of our international operations is the applicable local currency. A stronger U.S. dollar against the United Kingdom pound sterling, the Norwegian kroner and the Brazilian real could result in lower operating income. We manage our exposure to changes in foreign exchange rates by primarily denominating our contracts and providing for collections from our customers in U.S. dollars or freely convertible currency and endeavoring to match our contract costs with the denominated contractual currency. We use the exchange rates in effect as of the balance sheet date to translate assets and liabilities when the functional currency is the local currency, resulting in translation adjustments that we reflect as accumulated other comprehensive income or loss in the equity section of our consolidated balance sheets. We recorded net adjustments to our equity accounts of \$(47) million, \$3.9 million and \$(20) million in 2024, 2023 and 2022, respectively. Negative adjustments reflect the net impact of the strengthening of the U.S. dollar against various foreign currencies for locations where the functional currency is not the U.S. dollar. Conversely, positive adjustments reflect the effect of a weakening U.S. dollar.

Foreign currency gains (losses) in the year ended December 31, 2024, 2023 and 2022 were \$0.9 million, \$(1.4) million and less than \$(0.1) million, respectively. We recorded foreign currency transaction gains (losses) as a component of other income (expense), net in our consolidated statements of operations in those respective periods.

To mitigate our currency exposure risk in Angola, we have used kwanza to purchase equivalent Angolan central bank (Banco Nacional de Angola) bonds. The bonds are denominated as U.S. dollar equivalents, so that, upon payment of semi-annual interest and principal upon maturity, payment will be settled and made in kwanza, equivalent to the respective U.S. dollars at the then-current exchange rate. In the third quarter of 2024, we purchased \$7.0 million of U.S. dollar equivalent Angolan bonds. These bonds mature in February 2031. Because we intend to sell the bonds if we are able to repatriate the proceeds, we have classified these bonds as available-for-sale securities, and they are recorded at fair market value in other current assets in our consolidated balance sheet as of December 31, 2024. We did not sell any of our Angolan bonds in the year ended December 31, 2024.

We estimated the fair market value of the Angolan bonds to be \$7.0 million as of December 31, 2024, using quoted market prices. Since the market for the Angolan bonds was not an active market, the fair value of the Angolan bonds was classified within Level 2 in the fair value hierarchy under accounting principles generally accepted in the United States.

As of December 31, 2022, we had \$6.2 million of U.S. dollar equivalent Angolan bonds. These bonds were classified as available-for-sale securities and recorded at fair market value in other current assets on our consolidated balance sheets. These bonds matured on September 1, 2023, and we received cash proceeds of kwanza equivalent to \$6.2 million in U.S. dollars.

Item 8. Financial Statements and Supplementary Data.

In this report, our consolidated financial statements and supplementary data appear following the signature page to this report and are incorporated into this item by reference.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Disclosure Controls and Procedures

In accordance with Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), we carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2024 to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

Internal Control Over Financial Reporting

There has been no change in our internal control over financial reporting that occurred during the quarter ended December 31, 2024 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America. We developed our internal control over financial reporting through a process in which our management applied its judgment in assessing the costs and benefits of various controls and procedures, which, by their nature, can provide only reasonable assurance regarding the control objectives. You should note that the design of any system of controls is based in part on various assumptions about the likelihood of future events, and we cannot assure you that any system of controls will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Under the supervision and with the participation of our management, including our principal executive, financial and accounting officers, we have conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). This evaluation included a review of the documentation surrounding our financial reporting controls, an evaluation of the design effectiveness of these controls, testing of the operating effectiveness of these controls and an evaluation of our overall control environment. Based on that evaluation, our management has concluded that our internal control over financial reporting was effective as of December 31, 2024.

Ernst & Young LLP, the independent registered public accounting firm that audited our financial statements, has audited our internal control over financial reporting, as stated in their report that follows.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Oceaneering International, Inc.

Opinion on Internal Control over Financial Reporting

We have audited Oceaneering International, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Oceaneering International, Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and our report dated February 24, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Houston, Texas
February 24, 2025

Item 9B. Other Information.

None of our directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or adopted or terminated a non-Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K) during the three months ended December 31, 2024.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

Part III

Item 10. Directors, Executive Officers and Corporate Governance.

The information with respect to the directors and nominees for election to our Board of Directors, to the extent not provided under the heading “Information About our Executive Officers and Directors” following Item 1 of Part I of this report, is incorporated by reference from the section “Election of Directors” in our definitive proxy statement to be filed within 120 days of December 31, 2024, relating to our 2025 Annual Meeting of Shareholders.

Information concerning our Audit Committee and the audit committee financial experts is incorporated by reference from the sections entitled “Corporate Governance” and “Committees of the Board – Audit Committee” in the proxy statement referred to in this Item 10. Information concerning our Code of Ethics is incorporated by reference from the section entitled “Code of Ethics” for the Chief Executive Officer and Senior Financial Officers in the proxy statement previously referred to in this Item 10.

The information with respect to our executive officers is provided under the heading “Information About our Executive Officers and Directors” following Item 1 of Part I of this report. There are no family relationships between any of our directors or executive officers.

The information with respect to the reporting by our directors and executive officers and persons who own more than 10% of our Common Stock under Section 16 of the Securities Exchange Act of 1934 is incorporated by reference from the section entitled “Section 16(a) Beneficial Ownership Reporting Compliance” in the proxy statement previously referred to in this Item 10.

Item 11. Executive Compensation.

The information required by Item 11 is incorporated by reference from the sections entitled “Compensation Committee Interlocks and Insider Participation,” “Compensation Discussion and Analysis,” “Report of the Compensation Committee,” “Compensation of Executive Officers,” “Compensation of Nonemployee Directors,” and “Compensation Clawback” in the proxy statement referred to in Item 10 above.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Item 12 concerning security ownership of management and certain beneficial owners is incorporated by reference from the section “Security Ownership of Management and Certain Beneficial Owners” in the proxy statement referred to in Item 10 above.

EQUITY COMPENSATION PLAN INFORMATION

The following presents equity compensation plan information as of December 31, 2024:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders	2,005,602	N/A	1,159,889
Equity compensation plans not approved by security holders	—	N/A	—
Total	2,005,602	N/A	1,159,889

In the table above, the number of securities to be issued upon exercise of outstanding options, warrants and rights shown as of December 31, 2024 are restricted stock units and shares of restricted stock granted under our stockholder-approved incentive plans.

As of December 31, 2024, there were: (1) no shares of Oceaneering common stock under equity compensation plans not approved by security holders available for grant; and (2) 1,159,889 shares of Oceaneering common stock under equity compensation plans approved by security holders available for grant in the form of stock options, stock appreciation rights or stock awards. Since 2006, we have not granted any stock options and the Compensation Committee of our Board of Directors has expressed its intention to refrain from using stock options as a component of employee compensation for our executive officers and other employees for the foreseeable future. Additionally, our Board of Directors has expressed its intention to refrain from using stock options as a component of nonemployee director compensation for the foreseeable future. For a description of the material features of our equity compensation arrangements, see the discussion under the caption “Incentive Plans” in Note 11—“Employee Benefit Plans” in the Notes to Consolidated Financial Statements included in this report.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by Item 13 is incorporated by reference from the sections entitled “Corporate Governance” and “Certain Relationships and Related Transactions” in the proxy statement referred to in Item 10 above.

Item 14. Principal Accounting Fees and Services.

The information required by Item 14 is incorporated by reference from the section entitled “Ratification of Appointment of Independent Auditors – Fees Incurred for Audit and Other Services provided by Ernst & Young LLP” in the proxy statement referred to in Item 10 above.

Part IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Documents filed as part of this report.

1. Financial Statements:

- (i) Report of Independent Registered Public Accounting Firm
- (ii) Consolidated Balance Sheets
- (iii) Consolidated Statements of Operations
- (iv) Consolidated Statements of Comprehensive Income (Loss)
- (v) Consolidated Statements of Cash Flows
- (vi) Consolidated Statements of Equity
- (vii) Notes to Consolidated Financial Statements

2. Financial Statement Schedules:

All schedules for which provision is made in the applicable regulations of the Securities and Exchange Commission have been omitted because they are not required under the relevant instructions or because the required information is not significant.

3. Exhibits:

Exhibit Index

		Registration or File Number	Form of Report	Report Date	Exhibit Number	
*	3.01	Restated Certificate of Incorporation	1-10945	10-K	Dec. 2000	3.01
*	3.02	Certificate of Amendment to Restated Certificate of Incorporation	1-10945	8-K	May 2008	3.1
*	3.03	Certificate of Amendment to Restated Certificate of Incorporation	1-10945	8-K	May 2014	3.1
*	3.04	Amended and Restated Bylaws	1-10945	8-K	Nov. 2022	3.01
	4.01	Description of Common Stock				
*	4.02	Specimen of Common Stock Certificate	1-10945	10-Q	Sep. 2018	4.3
*	4.03	Indenture dated, November 21, 2014, between Oceaneering International, Inc. and Wells Fargo Bank, National Association, as Trustee, relating to senior debt securities of Oceaneering International, Inc.	1-10945	8-K	Nov. 2014	4.1
*	4.04	Second Supplemental Indenture, dated February 6, 2018, between Oceaneering International, Inc. and Wells Fargo Bank, National Association, as Trustee, providing for the issuance of Oceaneering International, Inc.'s 6.000% Senior Notes due 2028 (including Form of Notes)	1-10945	8-K	Feb. 2018	4.2
*	4.05	Third Supplemental Indenture, dated October 2, 2023, between Oceaneering International, Inc. and Computershare Trust Company, N.A., as trustee, with respect to 6.000% Senior Notes due 2028	1-10945	8-K	Oct. 2023	4.3
<p>We and certain of our consolidated subsidiaries are parties to debt instruments under which the total amount of securities authorized does not exceed 10% of our total consolidated assets. Pursuant to paragraph 4(iii)(A) of Item 601(b) of Regulation S-K, we agree to furnish a copy of those instruments to the Securities and Exchange Commission on request.</p>						
*	10.01 +	Amended and Restated Service Agreement dated as of December 21, 2006 between Oceaneering and John R. Huff	1-10945	8-K	Dec. 2006	10.1

*	10.02 + Modification to Service Agreement dated as of December 21, 2006 between Oceaneering and John R. Huff	1-10945	8-K	Dec. 2008	10.9
*	10.03 + Trust Agreement dated as of May 12, 2006 between Oceaneering and United Trust Company, National Association (the "Huff Trust Agreement")	1-10945	8-K	May 2006	10.2
*	10.04 + First Amendment to Huff Trust Agreement dated as of May 12, 2006 between Oceaneering International, Inc. and Bank of America National Association, as successor trustee	1-10945	8-K	Dec. 2008	10.10
*	10.05 + Second Amendment to Huff Trust Agreement dated as of May 12, 2006 between Oceaneering International, Inc. and Evercore Trust Company, National Association, as successor trustee	1-10945	10-K	Dec. 2018	10.33
*	10.06 + Third Amendment to Huff Trust Agreement dated as of May 12, 2006 between Oceaneering International, Inc. and Newport Trust Company, as successor trustee	1-10945	10-K	Dec. 2018	10.34
*	10.07 + Oceaneering International, Inc. Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2009	1-10945	8-K	Dec. 2008	10.5
*	10.08 + Amended and Restated Oceaneering International, Inc. Supplemental Executive Retirement Plan, as amended and restated effective January 1, 2000 (for Internal Revenue Code Section 409A-grandfathered benefits)	1-10945	8-K	Dec. 2008	10.6
*	10.09 + Form of Change-of-Control Agreement and Annex for Roderick A. Larson	1-10945	8-K	Aug. 2015	10.3
*	10.10 + Form of Change-of-Control Agreement	1-10945	8-K	May 2011	10.5
*	10.11 + Form of Indemnification Agreement	1-10945	8-K	May 2011	10.4
*	10.12 + Oceaneering International, Inc. Retirement Investment Plan, amended and restated with effective January 1, 2019	1-10945	10-K	Dec. 2018	10.31
*	10.13 + Amendment No. 1 to Amended and Restated Oceaneering International, Inc. Retirement Investment Plan	1-10945	10-K	Dec. 2020	10.18
*	10.14 + Amendment No. 2 to Amended and Restated Oceaneering International, Inc. Retirement Investment Plan	1-10945	10-K	Dec. 2020	10.19
*	10.15 + Amendment No. 3 to Amended and Restated Oceaneering International, Inc. Retirement Investment Plan	1-10945	10-Q	Jun. 2021	10.01
*	10.16 + Oceaneering Retirement Investment Plan Trust Agreement with Fidelity Management Trust Company effective January 1, 2019	1-10945	10-K	Dec. 2018	10.35
*	10.17 + Change of Control Plan and Form of Participation Agreement	1-10945	10-K	Dec. 2018	10.32
*	10.18 Credit Agreement, dated as of April 8, 2022, among Oceaneering International, Inc., as borrower, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent.	1-10945	8-K	Apr. 2022	10.1
*	10.19 Agreement and Amendment No. 1 to Credit Agreement, dated as of September 20, 2023, among Oceaneering International, Inc., as borrower, the guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent	1-10945	8-K	Sept. 2023	10.1
*	10.20 + Form of 2022 Restricted Stock Unit Agreement	1-10945	8-K	Mar. 2022	10.1
*	10.21 + Form of 2022 Performance Unit Agreement	1-10945	8-K	Mar. 2022	10.2

*	10.22 + 2020 Incentive Plan	333-238325	S-8	May 2020	4.06
*	10.23 + Form Restricted Stock Unit Agreement	1-10945	8-K	Feb. 2023	10.1
*	10.24 + Form Performance Unit Agreement	1-10945	8-K	Feb. 2023	10.2
*	10.25 + Form Nonemployee Director Restricted Stock Agreement	1-10945	8-K	Feb. 2023	10.3
*	10.26 + 2024 Annual Cash Bonus Award Program Summary	1-10945	10-Q	Apr. 2026	10.01
	19 Oceaneering International, Inc. Insider Trading Policy				
	21.01 Subsidiaries of Oceaneering				
	23.01 Consent of Independent Registered Public Accounting Firm				
	31.01 Rule 13a – 14(a)/15d – 14(a) certification of principal executive officer				
	31.02 Rule 13a – 14(a)/15d – 14(a) certification of principal financial officer				
	32.01 Section 1350 certification of principal executive officer				
	32.02 Section 1350 certification of principal financial officer				
	97.01 + Oceaneering International, Inc. Policy for the Recovery of Erroneously Awarded Compensation				
	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)				

* Exhibit previously filed with the Securities and Exchange Commission, as indicated, and incorporated herein by reference.

+ Management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary.

Oceaneering has elected not to include a summary of this report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

OCEANEERING INTERNATIONAL, INC.

Date: February 24, 2025

By: /S/ RODERICK A. LARSON
Roderick A. Larson
President and Chief Executive Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/S/ Roderick A. Larson</u> Roderick A. Larson	President and Chief Executive Officer and Director (Principal Executive Officer)	February 24, 2025
<u>/S/ Alan R. Curtis</u> Alan R. Curtis	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 24, 2025
<u>/S/ Catherine E. Dunn</u> Catherine E. Dunn	Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 24, 2025
<u>/S/ M. Kevin McEvoy</u> M. Kevin McEvoy	Chairman of the Board	February 24, 2025
<u>/S/ Karen H. Beachy</u> Karen H. Beachy	Director	February 24, 2025
<u>/S/ William B. Berry</u> William B. Berry	Director	February 24, 2025
<u>/S/ Deanna L. Goodwin</u> Deanna L. Goodwin	Director	February 24, 2025
<u>/S/ Paul B. Murphy, Jr.</u> Paul B. Murphy, Jr.	Director	February 24, 2025
<u>/S/ Reema Poddar</u> Reema Poddar	Director	February 24, 2025
<u>/S/ Jon Erik Reinhardsen</u> Jon Erik Reinhardsen	Director	February 24, 2025
<u>/S/ Steven A. Webster</u> Steven A. Webster	Director	February 24, 2025

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All schedules for which provision is made in the applicable regulations of the Securities and Exchange Commission have been omitted because they are not required under the relevant instructions or because the required information is not significant.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Oceaneering International, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Oceaneering International, Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 24, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

Revenues recognized over-time utilizing cost to cost inputs

Description of the Matter For the year ended December 31, 2024, the Company recognized 19% of its revenues utilizing the cost-to-cost input method. As discussed in Note 3 of the financial statements, the Company generally recognizes this type of contract revenue based on costs incurred to date as a percentage of total estimated costs.

Auditing management's calculation of revenues recognized under the cost-to-cost method was complex and subjective due to the estimation required in determining the estimated costs remaining on the project. In particular, the estimates of remaining costs associated with materials are sensitive and may be impacted by factors outside of the Company's control.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's process for revenues utilizing the cost-to-cost input method, including management's review of the estimated costs to complete and associated revenues.

To test the estimated costs to complete, we performed audit procedures that included, among others, assessing the appropriate application of the revenue recognition method utilized, and testing the significant assumptions discussed above and the underlying data used by the Company in its estimation process. We compared the significant assumptions used by management to external and internal information, such as vendor quotes and invoices, manufacturing schedules, purchase orders, manufacturing bills of lading, and other similar support. Additionally, we assessed the historical accuracy of management's estimates through a lookback analysis of prior estimates of costs to complete compared to actual results.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Houston, Texas

February 24, 2025

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

<i>(in thousands, except share data)</i>	December 31,	
	2024	2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 497,516	\$ 461,566
Accounts receivable, net of allowances for doubtful accounts of \$2,885 and \$2,804	303,583	331,326
Contract assets	275,280	234,505
Inventory, net	222,849	209,798
Other current assets	88,668	68,464
Total Current Assets	<u>1,387,896</u>	<u>1,305,659</u>
Property and equipment, at cost	2,156,388	2,285,896
Less accumulated depreciation	1,736,290	1,861,603
Net property and equipment	<u>420,098</u>	<u>424,293</u>
Other Assets:		
Goodwill	49,350	34,214
Other noncurrent assets	144,282	137,286
Right-of-use operating lease assets	334,721	337,554
Total other assets	<u>528,353</u>	<u>509,054</u>
Total Assets	<u>\$ 2,336,347</u>	<u>\$ 2,239,006</u>
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	\$ 181,505	\$ 156,064
Accrued liabilities	474,736	411,781
Contract liabilities	140,697	164,631
Total current liabilities	<u>796,938</u>	<u>732,476</u>
Long-term debt	482,009	477,058
Long-term operating lease liabilities	238,325	293,482
Other long-term liabilities	98,753	101,907
Commitments and contingencies		
Equity:		
Common Stock, par value \$0.25 per share; 360,000,000 shares authorized; 110,834,088 shares issued	27,709	27,709
Additional paid-in capital	98,621	131,774
Treasury stock; 10,173,091 and 10,030,200 shares, at cost	(555,350)	(574,380)
Retained earnings	1,572,725	1,425,257
Accumulated other comprehensive loss	(429,446)	(382,340)
Oceaneering shareholders' equity	<u>714,259</u>	<u>628,020</u>
Noncontrolling interest	6,063	6,063
Total equity	<u>720,322</u>	<u>634,083</u>
Total Liabilities and Equity	<u>\$ 2,336,347</u>	<u>\$ 2,239,006</u>

The accompanying Notes are an integral part of these Consolidated Financial Statements.

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(in thousands, except per share data)</i>	Year Ended December 31,		
	2024	2023	2022
Revenue	\$ 2,661,161	\$ 2,424,706	\$ 2,066,084
Cost of services and products	2,175,667	2,025,735	1,758,707
Gross margin	485,494	398,971	307,377
Selling, general and administrative expense	239,224	217,643	196,514
Operating income (loss)	246,270	181,328	110,863
Interest income	12,124	15,425	5,708
Interest expense, net of amounts capitalized	(37,917)	(36,523)	(38,215)
Equity earnings (losses) of unconsolidated affiliates	929	2,061	1,707
Other income (expense), net	3,510	(1,236)	(1,011)
Income (loss) before income taxes	224,916	161,055	79,052
Provision (benefit) for income taxes	77,448	63,652	53,111
Net Income (Loss)	\$ 147,468	\$ 97,403	\$ 25,941
Weighted-average shares outstanding			
Basic	101,180	100,697	100,185
Diluted	102,369	102,156	101,447
Earnings (loss) per share			
Basic	\$ 1.46	\$ 0.97	\$ 0.26
Diluted	\$ 1.44	\$ 0.95	\$ 0.26

The accompanying Notes are an integral part of these Consolidated Financial Statements.

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Net income (loss)	\$ 147,468	\$ 97,403	\$ 25,941
Other comprehensive income (loss), net of tax:			
Foreign currency translation	(47,106)	3,927	(19,622)
Change in unrealized gains for available-for-sale debt securities ⁽¹⁾	—	(140)	(47)
Total other comprehensive income (loss)	(47,106)	3,787	(19,669)
Comprehensive income (loss)	\$ 100,362	\$ 101,190	\$ 6,272

⁽¹⁾ There is no net income tax expense or benefit associated with the years ended December 31, 2023 and 2022 due to a valuation allowance offset.

The accompanying Notes are an integral part of these Consolidated Financial Statements.

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Cash Flows from Operating Activities:			
Net income (loss)	\$ 147,468	\$ 97,403	\$ 25,941
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	103,443	104,960	120,969
Deferred income tax provision (benefit)	(11,293)	(26,785)	829
Net loss (gain) on sales of property and equipment and other	502	(1,012)	(1,083)
Noncash compensation	12,807	12,057	10,370
Noncash impact of lease accounting	1,275	2,370	(1,574)
Excluding the effects of acquisitions, increase (decrease) in cash from:			
Accounts receivable and contract assets	(8,000)	(83,075)	(50,732)
Inventory	(13,092)	(25,423)	(30,692)
Other operating assets	(16,247)	(18,208)	(15,104)
Currency translation effect on working capital, excluding cash	(14,675)	3,250	417
Current liabilities	8,663	125,695	67,253
Other operating liabilities	(7,637)	18,723	(5,711)
Total adjustments to net income (loss)	55,746	112,552	94,942
Net Cash Provided by Operating Activities	203,214	209,955	120,883
Cash Flows from Investing Activities:			
Purchases of property and equipment	(107,136)	(100,726)	(81,043)
Business acquisitions, net of cash acquired	(27,149)	—	—
Proceeds from redemption of investments in Angolan bonds	—	6,229	—
Purchase of Angolan bonds	(7,000)	—	—
Proceeds from sale of equity investment	11,800	—	—
Distributions of capital from unconsolidated affiliates	3,182	2,520	705
Proceeds from sale of property and equipment	217	7,847	6,473
Other investing activities	1,915	(2,223)	(3,000)
Net Cash Used in Investing Activities	(124,171)	(86,353)	(76,865)
Cash Flows from Financing Activities:			
Repurchase of 2024 Senior Notes	—	(400,000)	—
Net proceeds from issuance of 6.000% Senior Notes, net of issuance costs	(112)	177,671	—
Purchases of treasury stock	(20,046)	—	—
Employer tax withholding on settlement of shares	(6,884)	(4,968)	(1,862)
Net Cash Used in Financing Activities	(27,042)	(227,297)	(1,862)
Effect of exchange rates on cash	(16,051)	(3,484)	(11,525)
Net Increase (Decrease) in Cash and Cash Equivalents	35,950	(107,179)	30,631
Cash and Cash Equivalents—Beginning of Period	461,566	568,745	538,114
Cash and Cash Equivalents—End of Period	\$ 497,516	\$ 461,566	\$ 568,745

The accompanying Notes are an integral part of these Consolidated Financial Statements.

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY

<i>(in thousands)</i>	Common Stock	Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss) Translation Adjustments	Oceaneering Shareholders' Equity	Noncontrolling Interest	Total Equity
Balance, December 31, 2021	\$ 27,709	\$ 173,608	\$ (631,811)	\$ 1,301,913	\$ (366,458)	\$ 504,961	\$ 6,063	\$ 511,024
Net income (loss)	—	—	—	25,941	—	25,941	—	25,941
Other comprehensive income (loss)	—	—	—	—	(19,669)	(19,669)	—	(19,669)
Restricted stock unit activity	—	(11,284)	19,792	—	—	8,508	—	8,508
Restricted stock activity	—	(6,466)	6,466	—	—	—	—	—
Balance, December 31, 2022	27,709	155,858	(605,553)	1,327,854	(386,127)	519,741	6,063	525,804
Net income (loss)	—	—	—	97,403	—	97,403	—	97,403
Other comprehensive income (loss)	—	—	—	—	3,787	3,787	—	3,787
Restricted stock unit activity	—	(19,933)	27,022	—	—	7,089	—	7,089
Restricted stock activity	—	(4,151)	4,151	—	—	—	—	—
Balance, December 31, 2023	27,709	131,774	(574,380)	1,425,257	(382,340)	628,020	6,063	634,083
Net income (loss)	—	—	—	147,468	—	147,468	—	147,468
Other comprehensive income (loss)	—	—	—	—	(47,106)	(47,106)	—	(47,106)
Restricted stock unit activity	—	(28,905)	34,827	—	—	5,922	—	5,922
Restricted stock activity	—	(4,248)	4,248	—	—	—	—	—
Treasury stock purchases, 825427 shares	—	—	(20,045)	—	—	(20,045)	—	(20,045)
Balance, December 31, 2024	\$ 27,709	\$ 98,621	\$ (555,350)	\$ 1,572,725	\$ (429,446)	\$ 714,259	\$ 6,063	\$ 720,322

The accompanying Notes are an integral part of these Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation. The consolidated financial statements include the accounts of Oceaneering International, Inc. (“Oceaneering,” “we,” “us” or “our”) and our more than 50% owned and controlled subsidiaries. We also consolidate entities that are determined to be variable interest entities if we determine that we are the primary beneficiary; otherwise, we account for those entities using the equity method of accounting. We use the equity method to account for our investments in unconsolidated affiliated companies of which we own an equity interest of between 20% and 50% and as to which we have significant influence, but not control, over operations. We use the cost method for all other long-term investments. Investments in entities that we do not consolidate are reflected on our balance sheet in other non-current assets. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”) requires that our management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Actual results could differ from those estimates.

Reclassifications. Certain amounts from prior periods have been reclassified to conform with the current year presentation.

Cash and Cash Equivalents. Cash and cash equivalents include demand deposits and highly liquid investments with original maturities of three months or less from the date of investment.

Allowance for Credit Losses—Financial Assets Measured at Amortized Costs. We identify our allowance for credit losses based on future expected losses when accounts receivable, contract assets or held-to-maturity loan receivables are created rather than when losses are probable.

We use the loss-rate method in developing the allowance for credit losses, which involves identifying pools of assets with similar risk characteristics, reviewing historical losses within the last three years and consideration of reasonable supportable forecasts of economic indicators. Changes in estimates, developing trends and other new information could have material effects on future evaluations.

We monitor the credit quality of our accounts receivable and other financing receivable amounts by frequent customer interaction, following economic and industry trends and reviewing specific customer data. Our other receivable amounts include contract assets and held-to-maturity loans receivable, which we consider to have a low risk of loss.

We consider macroeconomic conditions when assessing our credit risk exposure, including any impacts from the conflicts in Russia and Ukraine and in the Middle East, volatility in the financial services industry and the oil and natural gas markets, and the effects thereof on our customers and various counterparties. We have determined the impacts to our credit loss expense are *de minimis* for the years ended December 31, 2024, 2023 and 2022.

As of December 31, 2024, our allowance for credit losses was \$1.5 million for accounts receivable and \$1.4 million for other receivables. As of December 31, 2023, our allowance for credit losses was \$2.2 million for accounts receivable and \$0.6 million for other receivables. Our allowance for credit losses as of December 31, 2024 decreased when compared to the balance as of December 31, 2023, primarily due to a corresponding decrease in accounts receivable partially offset by an increase in contract assets.

Financial assets are written off when deemed uncollectible and there is no reasonable expectation of recovering the contractual cash flows. During the years ended December 31, 2024, 2023 and 2022, we recognized credit losses of \$0.1 million, \$1.3 million and \$0.4 million, respectively.

We have elected to apply the practical expedient available under Accounting Standard Update (“ASU”) No. 2016-13, “Financial Instruments—Credit Losses (Topic 326: Measurement of Credit Losses on Financial Instruments,” as amended (“ASC 326”) to exclude the accrued interest receivable balance that is included in our held-to-maturity loans receivable. The amounts excluded as of December 31, 2024 and 2023 were less than \$0.1 million and \$0.2 million, respectively.

Accounts receivable are considered to be past-due after the end of the contractual terms agreed to with the customer. There were no material past-due amounts that we consider uncollectible for our financial assets as of December 31, 2024. We generally do not require collateral from our customers.

Inventory. Inventory is valued at the lower of cost or net realizable value. We determine cost using the weighted-average method. We periodically review the value of items in inventory and record write-downs or write-offs of inventory based on our assessment of market conditions. Write-downs and write-offs are charged to cost of services and products. We did not record any write-downs or write-offs of inventory in the years ended December 31, 2024, 2023 or 2022. Our inventory reserve was 36 million and 40 million as of December 31, 2024 and 2023, respectively.

Business Acquisitions. We account for business combinations using the acquisition method of accounting, with acquisition prices being allocated to the assets acquired and liabilities assumed based on their fair values at the respective dates of acquisition.

In October 2024, we acquired Global Design Innovation Ltd. (“GDi”), a United Kingdom (“U.K.”)-based provider of digital and software services, for approximately 33 million, including a holdback liability of 4.6 million that we recorded in accrued liabilities and other long-term liabilities on our consolidated balance sheets. We acquired cash of 1.0 million from GDi as part of this acquisition. GDi is a U.K.-based provider of asset management, engineering and software services. As the only provider certified by the U.K. Accreditation Service to perform remote visual inspection using point cloud data and photographic images, GDi brings advanced algorithms and data solutions that, when combined with Oceaneering’s engineering expertise, will strengthen Oceaneering’s ability to optimize asset management for customers in industries including oil and gas, utilities, and power generation. GDi’s suite of solutions, including its Vision software, complements Oceaneering’s portfolio by supporting enhanced safety, data quality and integrity, and cost efficiency for customers worldwide. We have accounted for this acquisition by allocating the purchase price to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. As part of this acquisition, we have recorded goodwill for 16 million and intangible assets relating primarily to GDi’s software and trade name for 17 million to be amortized over their useful lives of 5 years. GDi’s operating results are included in our IMDS segment, and its activity subsequent to the date of acquisition was not significant.

Property and Equipment, Long-Lived Intangible Assets and Right-of-Use Operating Lease Assets. We provide for depreciation of property and equipment on the straight-line method over estimated useful lives of eight years for Remotely Operated Vehicles (“ROVs”), three to 25 years for marine services equipment (such as vessels and diving equipment) and three to 25 years for buildings, improvements and other equipment.

We charge the costs of repair and maintenance of property and equipment to operations as incurred, and we capitalize the costs of improvements that extend asset lives or functionality. Upon the disposition of property and equipment, the related cost and accumulated depreciation accounts are relieved and any resulting gain or loss is recognized in income.

We capitalize interest on assets where the construction period is anticipated to be more than three months. We did not capitalize interest in 2024, 2023 or 2022. We do not allocate general and administrative costs to capital projects. We had construction in progress of \$60 million and \$55 million as of December 31, 2024 and 2023, respectively, primarily related to projects in our Subsea Robotics segment.

Long-lived intangible assets, primarily acquired in connection with business combinations, include trade names, intellectual property and customer relationships and are being amortized over their respective estimated useful lives.

Our management periodically, and upon the occurrence of a triggering event, reviews the realizability of our property and equipment, long-lived intangible assets and right-of-use operating lease assets to determine whether any events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable. For long-lived assets to be held and used, we base our evaluation on impairment indicators such as the nature of the assets, the future economic benefits of the assets, any historical or future profitability measurements and other external market conditions or factors that may be present. If such impairment indicators are present or other factors exist that indicate that the carrying amount of an asset may not be recoverable, we determine whether an impairment has occurred using an undiscounted cash flow analysis of the asset at the lowest level for which identifiable cash flows exist. If an impairment has occurred, we recognize a loss for the difference between the carrying amount and the fair value of the asset. We did not identify indicators of impairment for property and equipment, long-lived intangible assets or right-of-use operating lease assets for the years ended December 31, 2024, 2023 and 2022.

For assets held for sale or disposal, the fair value of the asset is measured using fair market value less estimated costs to sell. Assets are classified as held-for-sale when we have a plan for disposal of certain assets and those assets meet the held for sale criteria.

For additional information regarding right-of-use operating lease assets, see “Leases” below.

Goodwill. Our goodwill is evaluated for impairment annually and whenever we identify certain triggering events or circumstances that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

In our annual evaluation of goodwill, we perform a qualitative or quantitative impairment test. Under the qualitative approach, if we determine it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we are required to perform the quantitative analysis to determine the fair value of the reporting unit. We then compare the fair value of the reporting unit with its carrying amount and recognize an impairment loss for the amount by which the carrying amount exceeds the fair value of the reporting unit. The loss recognized should not exceed the total amount of goodwill allocated to the reporting unit. We also consider income tax effects from any tax-deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. During the fourth quarters of 2024 and 2023, we performed our annual goodwill impairment assessment using qualitative tests that did not indicate a more detailed quantitative analysis was necessary. No goodwill impairment was recognized for the years ended December 31, 2024, 2023 and 2022.

Revenue Recognition. All of our revenue is realized through contracts with customers. We recognize our revenue according to the contract type. On a daily basis, we recognize service revenue over time for contracts that provide for specific time, material and equipment charges, which we bill periodically, ranging from weekly to monthly. We use the input method to recognize revenue, because each day of service provided represents value to the customer. The performance obligations in these contracts are satisfied, and revenue is recognized, as the work is performed. When appropriate, we apply the practical expedient to recognize revenue for the amount invoiced when the invoice corresponds directly to the value of our performance to date.

We account for significant fixed-price contracts, mainly relating to our Manufactured Products segment, and to a lesser extent in our Offshore Projects Group (“OPG”) and Aerospace and Defense Technologies (“ADTech”) segments, by recognizing revenue over time using the cost-to-cost input method. The performance obligation is satisfied as we create a product on behalf of the customer over the life of the contract. In 2024, 2023 and 2022, we accounted for 19%, 19% and 15%, respectively, of our revenue using the cost-to-cost input method to measure progress toward satisfying the related performance obligations on our contracts. The remainder of our revenue is recognized at the point in time when control transfers to the customer, thus satisfying the performance obligation.

We have elected to recognize the cost for freight and shipping as an expense when incurred. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, and that are collected by us from customers, are excluded from revenue.

In our service-based business lines, we principally charge on a dayrate basis for services provided. In our product-based business lines, predominantly in our Manufactured Products segment, we recognize revenue and profit using the percentage-of-completion method and exclude uninstalled materials and significant inefficiencies from the measure of progress.

While our contracts predominantly only contain one performance obligation and a limited number have variable consideration, we apply judgment, when applicable, in the determination and allocation of transaction price to performance obligations and the subsequent recognition of revenue, based on the facts and circumstances of each contract. We routinely review estimates related to our contracts and, when required, reflect revisions to profitability in earnings immediately. If an element of variable consideration has the potential for a significant future reversal of revenue, we will constrain that variable consideration to a level intended to remove the potential future reversal. If a current estimate of total contract cost indicates an ultimate loss on a contract, we recognize the projected loss in full when we determine it. During the year ended December 31, 2024, we recognized projected losses of \$13 million for contracts in our Manufactured Products segment. During the year ended December 31, 2023, we recognized a projected loss of \$9.8 million for contracts in our Manufactured Products segment. During the year ended December 31, 2022, we recognized a projected loss of \$5.2 million for contracts in our Manufactured Products segment. There could be adjustments to overall contract costs in the future, due to changes in facts and circumstances.

In general, our payment terms consist of those services billed regularly as provided and those products delivered at a point in time, which are invoiced after the performance obligation is satisfied. Our product and service contracts with milestone payments due at agreed progress points during the contract are invoiced when those milestones are

reached, which may differ from the timing of revenue recognition. Our payment terms generally do not provide financing of contracts to customers, nor do we receive financing from customers as a result of these terms.

See Note 3—“Revenue” for more information on our revenue from contracts with customers.

Leases. We determine whether a contract is or contains a lease at inception, whether as a lessee or a lessor. We take into consideration the elements of an identified asset, right to control and the receipt of economic benefit in making those determinations.

As a lessor, we lease certain types of equipment along with the provision of services and utilize the expedient allowing us to combine the lease and non-lease components into a combined component that is accounted for (1) under the accounting standard “Leases” (“ASC 842”), when the lease component is predominant, and (2) under the accounting standard “Revenue from Contracts with Customers” (“ASC 606”), when the service component is predominant. In general, when we have a service component, it is typically the predominant element and leads to accounting under ASC 606.

As a lessor, we lease certain types of equipment, often providing services at the same time. These leases can be priced on a dayrate or lump-sum basis for periods ranging from a few days to multi-year contracts. These leases are negotiated on commercial terms at market rates and many carry standard options to extend or terminate at our customer's discretion. These leases generally do not contain options to purchase, material restrictions or covenants that impact our accounting for leases.

As a lessee, we lease land, buildings, vessels and equipment for the operation of our business and to support some of our service line revenue streams. These generally carry lease terms that range from days for operational and support equipment to 20 years for land and buildings. These leases are negotiated on commercial terms at market rates and many carry standard options to extend or terminate at our discretion. When the exercise of those options is reasonably certain, we include them in the lease assessment. Our leases do not contain material restrictions or covenants that impact our accounting for them, nor do we provide residual value guarantees.

As a lessee, we utilize the practical expedients to not recognize leases with an initial lease term of 12 months or less on the balance sheet and to combine lease and non-lease components together and account for the combined component as a lease for all asset classes, except real estate.

Right-of-use operating lease assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement or modification date. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate, based on the information available at commencement or modification date in determining the present value of future payments. In determining the incremental borrowing rate, we considered our external credit ratings, bond yields for us and our identified peers, the risk-free rate in geographic regions where we operate and the impact associated with providing collateral over a similar term as the lease for an amount equal to the future lease payments. Our right-of-use operating lease assets also include any lease prepayments made and exclude lease incentives and initial direct costs incurred. Our lease terms may include options to extend or terminate the lease. These options are included in the lease term when it is reasonably certain we will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

See Note 4—“Leases” for more information on our operating leases.

Stock-Based Compensation. We recognize all share-based payments to directors, officers and employees over their vesting periods in the income statement based on their estimated fair values. For more information on our employee benefit plans, see Note 11—“Employee Benefit Plans.”

Income Taxes. We provide income taxes at appropriate tax rates in accordance with our interpretation of the respective tax laws and regulations after review and consultation with our internal tax department, tax advisors and, in some cases, legal counsel in various jurisdictions. We provide for deferred income taxes for differences between carrying amounts of assets and liabilities for financial and tax reporting purposes and provide a valuation allowance against deferred tax assets when it is more likely than not that the asset will not be realized.

We recognize an expense or benefit for an uncertain tax position if it is more likely than not to be sustainable upon audit by the applicable taxing authority. If this threshold is met, the uncertain tax position is then measured and recognized at the largest amount that we believe is greater than 50% likely of being realized upon ultimate

settlement. We account for any applicable interest and penalties on these uncertain tax positions as a component of our provision for income taxes on our financial statements.

We have elected to account for U.S. federal income tax on global intangible low-taxed income (“GILTI”) as a current period expense when incurred.

For more information on income taxes, see Note 6—“Income Taxes.”

Foreign Currency Translation. The functional currency for most of our foreign subsidiaries is the applicable local currency. Results of operations for foreign subsidiaries with functional currencies other than the U.S. dollar are translated into U.S. dollars using average exchange rates during the period. Assets and liabilities of these foreign subsidiaries are translated into U.S. dollars using the exchange rates in effect as of the balance sheet date, and the resulting translation adjustments are recognized, net of tax, in accumulated other comprehensive income (loss) as a component of shareholders' equity. All foreign currency transaction gains and losses are recognized currently in the consolidated statements of operations. We recorded \$0.9 million, \$(1.4) million and less than \$(0.1) million of foreign currency transaction gains (losses) in the years ended December 31, 2024, 2023 and 2022, respectively. Those amounts are included as a component of other income (expense), net in our consolidated statements of operations.

Earnings Loss) per Share. For each year presented, the only difference between our annual calculated weighted-average basic and diluted number of shares outstanding is the effect of outstanding restricted stock units.

Repurchase Plan. In December 2014, our Board of Directors approved a plan to repurchase up to 10 million shares of our common stock. Under the program, which has no expiration date, we had repurchased 2.0 million shares of our common stock for \$100 million through December 2015. In the year ended December 31, 2024, we repurchased 0.8 million shares for approximately 20 million. The timing and amount of any future repurchases will be determined by our management. As of December 31, 2024, we retained 10 million of the shares we had repurchased through this and a prior repurchase program. We expect to hold the shares repurchased and any additional shares repurchased under the plan as treasury stock for possible future use. We are not obligated to make any future repurchases. We account for the shares we hold in treasury under the cost method, at average cost.

Financial Instruments. We recognize all derivative instruments as either assets or liabilities in the balance sheet and measure those instruments at fair value. Subsequent changes in fair value are reflected in current earnings or other comprehensive income (loss), depending on whether a derivative instrument is designated as part of a hedge relationship and, if it is, the type of hedge relationship. See Note 8—“Debt” for information relative to the interest rate swaps we had in effect. We currently have no derivative instruments outstanding as of December 31, 2024 or 2023.

Consolidated Variable Interest Entity. We hold a 45 interest in one variable interest entity (“VIE”) located in Angola. The remaining 55 noncontrolling interest is held by a service and logistics provider located in Angola. We are the primary beneficiary and wholly consolidate the VIE as we have the power to direct the activities that most significantly affect the VIE’s economic performance and have the obligation to absorb the VIE’s losses or the right to receive benefits at 100%.

2. ACCOUNTING STANDARDS UPDATE

Recently Adopted Accounting Standards. In November 2023, the Financial Accounting Standards Board (“FASB”) issued ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” (“Topic 280”), which requires enhanced disclosures about significant segment expenses. Under Topic 280, companies are required to disclose, on an annual and interim basis, any significant segment expense that is regularly provided to the chief operating decision maker (“CODM”) and included within each reported measure of segment profit or loss. The title and position of the CODM must be disclosed plus an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources. Our adoption of Topic 280 for the fiscal year ended December 31, 2024, and its retrospective application to all prior periods presented in our financial statements did not have a material impact on our disclosures. For more information on our segment disclosures, see Note 10—“Operations by Business Segment and Geographic Area.”

Recently Issued Accounting Standards. In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures” (“Topic 740”), which applies to all entities subject to income

taxes. Topic 740 requires disaggregated information about a reporting entity's effective tax rate reconciliation, including percentages and amounts, as well as information on income taxes paid, net of refunds disaggregated by federal, state, local and foreign and by jurisdiction if the amount is 5% or more of total income tax payments, net of refunds. Topic 740 is effective for annual periods beginning after December 15, 2024. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. We anticipate that Topic 740 will only impact our disclosures and therefore do not expect that Topic 740 will have a material impact on our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses" ("ASU 2024-03"), which requires additional disclosure of the nature of certain expenses presented on the face of the income statement into specified categories in the footnotes to the financial statements. ASU 2024-03 is effective for annual periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. We anticipate that ASU 2024-03 will only impact our disclosures and therefore do not expect that ASU 2024-03 will have a material impact on our consolidated financial statements.

3. REVENUE

Revenue by Category

The following table presents revenue disaggregated by business segment, geographical region, and timing of transfer of goods or services.

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Business Segment:			
Energy			
Subsea Robotics	\$ 829,822	\$ 752,521	\$ 621,921
Manufactured Products	555,500	493,692	382,361
Offshore Projects Group	591,037	546,366	489,317
Integrity Management & Digital Solutions	291,866	255,282	229,884
Total Energy	2,268,225	2,047,861	1,723,483
Aerospace and Defense Technologies	392,936	376,845	342,601
Total	<u>\$ 2,661,161</u>	<u>\$ 2,424,706</u>	<u>\$ 2,066,084</u>

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Geographic Operating Areas:			
Foreign:			
Africa	\$ 434,536	\$ 331,891	\$ 286,687
United Kingdom	291,464	205,886	177,234
Norway	233,134	189,802	180,186
Brazil	229,534	202,892	139,859
Asia and Australia	210,582	274,160	206,564
Other	134,106	189,694	96,742
Total Foreign	1,533,356	1,394,325	1,087,272
United States	1,127,805	1,030,381	978,812
Total	<u>\$ 2,661,161</u>	<u>\$ 2,424,706</u>	<u>\$ 2,066,084</u>

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Timing of Transfer of Goods or Services:			
Revenue recognized over time	\$ 2,474,830	\$ 2,272,160	\$ 1,929,031
Revenue recognized at a point in time	186,331	152,546	137,053
Total	<u>\$ 2,661,161</u>	<u>\$ 2,424,706</u>	<u>\$ 2,066,084</u>

Contract Balances

Our contracts with milestone payments have, in the aggregate, a significant impact on the contract asset and the contract liability balances. Milestones are contractually agreed with customers and relate to significant events across the contract lives. Some milestones are achieved before revenue is recognized, resulting in a contract liability, while other milestones are achieved after revenue is recognized resulting in a contract asset.

The following table provides information about contract assets and contract liabilities from contracts with customers.

<i>(in thousands)</i>	Year Ended December 31,	
	2024	2023
Total contract assets, beginning of period	\$ 234,505	\$ 184,847
Revenue accrued	2,540,010	2,328,382
Amounts billed	(2,499,235)	(2,278,724)
Total contract assets, end of period	<u>\$ 275,280</u>	<u>\$ 234,505</u>
Total contract liabilities, beginning of period	\$ 164,631	\$ 112,950
Deferrals of milestone payments	109,641	149,864
Recognition of revenue for goods and services	(133,575)	(98,183)
Total contract liabilities, end of period	<u>\$ 140,697</u>	<u>\$ 164,631</u>

Performance Obligations

As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations that were unsatisfied (or partially unsatisfied) was \$454 million. In arriving at this value, we have used two expedients available to us and are not disclosing amounts in relation to performance obligations: (1) that are part of contracts with an original expected duration of one year or less; or (2) on contracts where we recognize revenue in line with the billing. Of this amount, we expect to recognize revenue of \$329 million over the next 12 months, \$109 million within the next 24 months, and substantially all of the remaining balance of \$16 million within the next 36 months.

In our Manufactured Products and ADTech segments, we have long-term contracts that extend beyond one year, and these make up the majority of the performance obligations balance reported as of December 31, 2024. We also have shorter-term product contracts with an expected original duration of one year or less that have been excluded.

Where appropriate, we have made estimates within the transaction price of elements of variable consideration within the contracts and constrained those amounts to a level where we consider it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The amount of revenue recognized in the years ended December 31, 2024 and 2023 that was associated with performance obligations completed or partially completed in prior periods was not significant.

As of December 31, 2024, there were no significant outstanding liability balances for refunds or returns due to the nature of our contracts and the services and products we provide. Our warranties are limited to assurance warranties that are of a standard length and are not considered to be material rights. The majority of our contracts consist of a single performance obligation. While our contracts predominantly only contain one performance obligation and a limited number have variable consideration, when there are multiple obligations, we look for observable evidence of stand-alone selling prices on which to base the allocation.

(in thousands)

For the year ended December 31,

2025	\$	149,540
2026		82,286
2027		36,459
2028		27,084
2029		25,863
Thereafter		121,531
Total lease payments		442,763
Less: Interest		(73,023)
Present Value of Operating Lease Liabilities	\$	<u>369,740</u>

5. SELECTED BALANCE SHEET INFORMATION

The following is information regarding selected balance sheet accounts:

<i>(in thousands)</i>	December 31,	
	2024	2023
Inventory, net:		
Manufactured Products	\$ 113,104	\$ 104,364
Subsea Robotics	92,149	87,356
Other inventory	17,596	18,078
Total	<u>\$ 222,849</u>	<u>\$ 209,798</u>
Other current assets:		
Prepaid expenses	\$ 81,668	\$ 68,464
Angolan bonds	7,000	—
Total	<u>\$ 88,668</u>	<u>\$ 68,464</u>
Other noncurrent assets:		
Cash surrender value of life insurance policies	\$ 40,311	\$ 36,588
Investment in unconsolidated affiliates	14,439	30,455
Deferred tax asset	31,903	26,021
Intangible assets, net	33,332	21,182
Other	24,297	23,040
Total	<u>\$ 144,282</u>	<u>\$ 137,286</u>
Accrued liabilities:		
Payroll and related costs	\$ 153,273	\$ 154,507
Current operating lease liability	131,415	78,117
Accrued job costs	62,390	56,112
Income taxes payable	49,097	55,990
Accrued interest	12,667	12,667
Other	65,894	54,388
Total	<u>\$ 474,736</u>	<u>\$ 411,781</u>
Other long-term liabilities:		
Supplemental Executive Retirement Plan	\$ 33,936	\$ 35,679
Uncertain tax positions	24,169	27,093
Long-Term Incentive Plan	11,521	12,727
Deferred income taxes	2,487	1,033
Other	26,640	25,375
Total	<u>\$ 98,753</u>	<u>\$ 101,907</u>

6. INCOME TAXES

The components of income (loss) before income taxes are as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Domestic	\$ (8,897)	\$ (62,294)	\$ (50,396)
Foreign	233,813	223,349	129,448
Income (loss) before income taxes	<u>\$ 224,916</u>	<u>\$ 161,055</u>	<u>\$ 79,052</u>

The components of the income tax provision (benefit) applicable for domestic and foreign taxes and cash taxes paid are as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Current income tax expense (benefit):			
Domestic	\$ 842	\$ 2,043	\$ 3,241
Foreign	87,899	88,394	49,041
Total current income tax expense (benefit)	<u>88,741</u>	<u>90,437</u>	<u>52,282</u>
Deferred income tax expense (benefit):			
Domestic	—	(170)	633
Foreign	(11,293)	(26,615)	196
Total deferred income tax expense (benefit)	<u>(11,293)</u>	<u>(26,785)</u>	<u>829</u>
Total income tax expense (benefit)	<u>\$ 77,448</u>	<u>\$ 63,652</u>	<u>\$ 53,111</u>
Cash taxes paid, net	<u>\$ 94,730</u>	<u>\$ 44,014</u>	<u>\$ 44,959</u>

The reconciliation between the actual income tax provision and income tax computed using the U.S. statutory federal income tax rate is summarized as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Income tax provision (benefit) at the U.S. statutory rate	\$ 47,232	\$ 33,821	\$ 16,645
Base erosion and anti-abuse tax	1,714	3,520	2,369
Prior period tax adjustments	(4,735)	1,273	1,367
Deferred tax rate change	23,360	1,460	(2,626)
Valuation allowances	(21,042)	(21,679)	11,078
Foreign tax rate differential	22,733	44,514	14,506
Foreign income inclusion	6,884	(3,618)	12,304
Stock compensation	(1,985)	(1,428)	137
Excess compensation	2,605	1,712	1,083
Uncertain tax positions	2,760	7,761	(704)
General business credits	(2,674)	(4,078)	(1,952)
Other items, net	596	394	(1,096)
Total provision (benefit) for income taxes	<u>\$ 77,448</u>	<u>\$ 63,652</u>	<u>\$ 53,111</u>

Significant components of net deferred tax assets and liabilities were as follows:

<i>(in thousands)</i>	December 31,	
	2024	2023
Deferred tax assets:		
Deferred compensation	\$ 19,912	\$ 20,310
Deferred income	8,192	13,029
Accrued expenses	28,213	26,811
Net operating loss and other carryforwards	516,201	531,257
Long-term operating lease liabilities	76,801	66,059
Goodwill and intangibles	48,672	45,196
Interest	34,569	34,671
Other	9,672	15,253
Gross deferred tax assets	742,232	752,586
Valuation allowances	(640,393)	(663,784)
Total deferred tax assets	<u>\$ 101,839</u>	<u>\$ 88,802</u>
Deferred tax liabilities:		
Property and equipment	\$ (5,473)	\$ (4,923)
Other	(3,855)	(800)
Right-of-use operating lease assets	(63,095)	(58,091)
Total deferred tax liabilities	<u>\$ (72,423)</u>	<u>\$ (63,814)</u>
Net deferred income tax assets (liabilities), net	<u>\$ 29,416</u>	<u>\$ 24,988</u>

Our net deferred tax assets (liabilities) are reflected within our balance sheet as follows:

<i>(in thousands)</i>	December 31,	
	2024	2023
Long-term deferred tax assets	\$ 31,903	\$ 26,021
Deferred tax liabilities included in other long-term liabilities	(2,487)	(1,033)
Net deferred income tax assets (liabilities), net	<u>\$ 29,416</u>	<u>\$ 24,988</u>

As of December 31, 2024, we had approximately \$460 million of deferred tax assets related to net operating and other loss carryforwards that were generated in various worldwide jurisdictions. The carryforwards include \$58 million that do not expire and \$402 million that will expire from 2025 through 2044. We have recorded a total valuation allowance of \$640 million on net operating loss, tax credit carryforwards, and other deferred tax assets, as we believe that it is more likely than not that a portion of our deferred tax assets will not be realized. We assess the realizability of our deferred tax assets, considering all relevant factors, at each reporting period. Based on the available positive and negative evidence, including historical and forecasted earnings, we believe it is more likely than not that deferred tax assets in several non-U.S. jurisdictions will be realized. Accordingly, during the twelve-month period ended December 31, 2024 and 2023, we partially released valuation allowances for the deferred tax assets that we believe are more likely than not to be realized. Our valuation allowance decreased by \$23 million in 2024 and \$21 million in 2023.

During the twelve-month period ended December 31, 2023, we received refunds of \$23 million, including interest of 1.7 million which was recorded as a tax benefit, under the U.S. Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act").

We continue to make an assertion to indefinitely reinvest the unrepatriated earnings of any foreign subsidiary that would incur material tax consequences upon the distribution of such earnings. As of December 31, 2024, we did not provide for deferred taxes on earnings of our foreign subsidiaries that are indefinitely reinvested. If we were to make a distribution from the unremitted earnings of these subsidiaries, we could be subject to taxes in various jurisdictions. However, it is not practical to estimate the amount of tax that could ultimately be due if such earnings were remitted. If our expectations were to change regarding future tax consequences, we may be required to record additional deferred taxes that could have a material effect on our consolidated financial statements.

We recognize the expense or benefit for an uncertain tax position if it is more likely than not to be sustainable upon audit by the applicable taxing authority. If this threshold is met, the uncertain tax position is then measured and recognized at the largest amount that we believe is greater than 50% likely of being realized upon ultimate settlement. We account for any applicable interest and penalties on these positions as a component of our provision for income taxes in our consolidated financial statements.

A reconciliation of the beginning and ending amount of gross uncertain tax positions, excluding penalties and interest, is as follows:

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Balance at beginning of year	\$ 25,457	\$ 15,846	\$ 17,367
Additions based on tax positions related to the current year	1,782	4,391	269
Reductions for expiration of statutes of limitations	(505)	(130)	(520)
Additions based on tax positions related to prior years	2,790	12,576	1,103
Reductions based on tax positions related to prior years	(7,020)	(135)	(2,171)
Settlements	(3,967)	(7,091)	(202)
Balance at end of year	\$ 18,537	\$ 25,457	\$ 15,846

We increased (decreased) income tax expense by \$1.0 million, \$5.4 million and \$(1.0) million in 2024, 2023 and 2022, respectively, for penalties and interest on uncertain tax positions. Our total liabilities for penalties and interest on uncertain tax positions were \$5.6 million and \$7.9 million in other long-term liabilities on our balance sheets as of December 31, 2024 and 2023, respectively. All additions or reductions to those liabilities would affect our effective income tax rate in the periods of change.

We believe approximately \$8.0 million to \$15 million of gross uncertain tax positions will be resolved within the next 12 months. As of December 31, 2023, a portion of our uncertain tax position liability was reflected as a reduction in our gross deferred tax asset before valuation allowance and as a reduction in our long-term income tax receivable, which was included in other noncurrent assets on our consolidated balance sheet. The remaining balance was reflected in other long-term liabilities on our consolidated balance sheet. The balance of gross uncertain tax position liability included in other long-term liabilities on our consolidated balance sheet was \$19 million as of December 31, 2024 and 2023. The balance of gross uncertain tax position liability netted against our gross deferred tax asset before valuation allowance was \$5.0 million as of December 31, 2023. The balance of gross uncertain tax position liability netted against our gross long-term income tax receivable included in other noncurrent assets was \$1.0 million as of December 31, 2023.

Our tax returns are subject to audit by taxing authorities in multiple jurisdictions. These audits often take years to complete and settle. The following table lists the earliest tax years open to examination by tax authorities where we have significant operations:

Jurisdiction	Periods
United States	2021
United Kingdom	2022
Norway	2019
Angola	2015
Brazil	2019
Australia	2020

7. SELECTED INCOME STATEMENT INFORMATION

The following schedule shows our revenue and costs of services and products:

<i>(in thousands)</i>	Year Ended December 31,		
	2024	2023	2022
Revenue:			
Services	\$2,098,501	\$1,920,348	\$1,673,024
Products	562,660	504,358	393,060
Total revenue	2,661,161	2,424,706	2,066,084
Cost of Services and Products:			
Services	1,598,530	1,498,094	1,334,811
Products	475,860	428,686	341,368
Unallocated expenses	101,277	98,955	82,528
Total cost of services and products	2,175,667	2,025,735	1,758,707

8. DEBT

The carrying value of long-term debt consisted of the following:

<i>(in thousands)</i>	December 31,	
	2024	2023
6.000% Senior Notes due 2028	\$ 500,000	\$ 500,000
Unamortized discount and debt issuance costs	(17,991)	(22,942)
Long-term Debt	\$ 482,009	\$ 477,058

2024 Senior Notes. In November 2014, we completed the public offering of \$500 million aggregate principal amount of 4.650% Senior Notes due 2024 (the “2024 Senior Notes”). We paid interest on the 2024 Senior Notes on May 15 and November 15 of each year. The 2024 Senior Notes were scheduled to mature on November 15, 2024. In the year ended December 31, 2021, we repurchased \$100 million in aggregate principal amount of the 2024 Senior Notes in open-market transactions. The aggregate purchase price in the year ended December 31, 2021 included accrued and unpaid interest to the repurchase date of \$0.7 million, and we recorded loss on extinguishment of debt of \$1.1 million (including premiums and fees associated with the repurchases). On October 2, 2023, we repurchased \$312 million principal amount of the 2024 Senior Notes at par plus accrued and unpaid interest of \$5.5 million for approximately \$318 million in the Tender Offer (as defined herein). On November 2, 2023 (the “Redemption Date”), after delivering a notice to the holders of the 2024 Senior Notes, we redeemed all of the remaining \$88 million principal amount outstanding of the 2024 Senior Notes at par, pursuant to our optional redemption right under the indenture governing the 2024 Senior Notes. The redemption price was equal to 100 of the principal amount of the 2024 Senior Notes plus accrued and unpaid interest up to but not including the Redemption Date plus a “make-whole premium.”

2028 Senior Notes. In February 2018, we completed the public offering of \$300 million aggregate principal amount of 6.000% Senior Notes due 2028 (the “Existing 2028 Senior Notes”) and on October 2, 2023, we completed a private placement of \$200 million aggregate principal amount of additional 2028 Senior Notes (the “New 2028 Senior Notes”) and, together with the Existing 2028 Senior Notes, the “2028 Senior Notes”) to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and to non-U.S. persons outside the United States pursuant to Regulation S under the Securities Act. The New 2028 Senior Notes constituted an additional issuance of the Existing 2028 Senior Notes and form a single series with such notes. We pay interest on the 2028 Senior Notes on February 1 and August 1 of each year. The 2028 Senior Notes are scheduled to mature on February 1, 2028. The indentures governing our 2028 Senior Notes generally limit our ability to incur secured debt for borrowed money (such as borrowings under our revolving credit facility) to 15% of our Consolidated Net Tangible Assets (as defined in such indentures) and contain various other covenants and events of default. We used the net proceeds from the Existing 2028 Senior Notes to repay our term loan indebtedness described further below. We may redeem some or all of the 2028 Senior Notes at specified redemption prices. We received net proceeds from the offering of the New 2028 Senior Notes of 178 million, after initial purchasers’ discounts and debt issuance costs. We used the net proceeds from the New 2028 Senior Notes, together with cash on hand, to fund the Tender Offer (as defined herein).

On October 2, 2023, we used the net proceeds from the offering discussed above, together with cash on hand, to fund our offer to purchase (the “Tender Offer”) for cash any and all of the \$400 million principal amount outstanding of the 2024 Senior Notes. The consummation of the Tender Offer was contingent upon the completion of the offering discussed above, which was satisfied on October 2, 2023.

Revolving Credit Agreement. In October 2014, we entered into a credit agreement (as amended, the “Prior Credit Agreement”) with a group of banks. The Prior Credit Agreement initially provided for a \$500 million five-year revolving credit facility (the “Prior Revolving Credit Facility”). The Prior Credit Agreement also provided for a \$300 million term loan, which we repaid in full in February 2018, using net proceeds from the issuance of our Existing 2028 Senior Notes, referred to above, and cash on hand. In February 2018, we entered into Agreement and Amendment No. 4 to the Prior Credit Agreement to, among other things, extend the maturity of the Prior Revolving Credit Facility to January 25, 2023.

On April 8, 2022, we entered into a new senior secured revolving credit agreement with a group of banks (as amended by an Agreement and Amendment No. 1 to Credit Agreement, dated September 20, 2023, the “Revolving Credit Agreement”). The commitments under the Revolving Credit Agreement are scheduled to mature on April 8, 2027. The Revolving Credit Agreement includes a \$215 million revolving credit facility (the “Revolving Credit Facility”) with a \$100 million sublimit for the issuance of letters of credit. Our obligations under the Revolving Credit Agreement are guaranteed by certain of our wholly owned subsidiaries and are secured by first priority liens on certain of our assets and those of the guarantors, including, among other things, intellectual property, inventory, accounts receivable, equipment and equity interests in subsidiaries. As of December 31, 2024 and 2023, we had no borrowings outstanding under the Revolving Credit Facility and no letters of credit outstanding under the Revolving Credit Agreement.

We may borrow under the Revolving Credit Facility at either (1) a base rate, determined as the greatest of (A) the prime rate of Wells Fargo Bank, National Association, (B) the federal funds effective rate plus $\frac{1}{2}$ of 1% and (C) Adjusted Term Secured Overnight Financing Rate (“SOFR”) (as defined in the Revolving Credit Agreement for a one-month tenor plus 1%, in each case plus the applicable margin, which varies from 1.25% to 2.25% depending on our Consolidated Net Leverage Ratio (as defined in the Revolving Credit Agreement), or (2) Adjusted Term SOFR plus the applicable margin, which varies from 2.25% to 3.25% depending on our Consolidated Net Leverage Ratio. We will also pay a facility fee based on the amount of the underlying commitment that is being utilized, which fee varies from 0.300% to 0.375%, with the higher rate owed when we use the Revolving Credit Facility less.

The Revolving Credit Agreement includes financial covenants that are tested on a quarterly basis, based on the rolling four-quarter period that ends on the last day of each fiscal quarter. The maximum permitted Consolidated Net Leverage Ratio was initially 4.00 to 1.00 and subsequently decreased to 3.25 to 1. As of December 31, 2024 and 2023, the maximum permitted Consolidated Net Leverage Ratio was 3.25 to 1 and will not change during the remaining term of the Revolving Credit Facility. The minimum Consolidated Interest Coverage Ratio (as defined in the Revolving Credit Agreement) is 3.00 to 1.00 throughout the term of the Revolving Credit Facility. Availability under the Revolving Credit Facility may be limited by these financial covenants and the requirement that any borrowing under the Revolving Credit Facility not require the granting of any liens to secure any senior notes issued by us. The indentures governing the 2028 Senior Notes, and prior to November 2, 2023, the 2024 Senior Notes, generally limit our ability to incur secured debt for borrowed money (such as borrowings under the Revolving Credit Facility) to 15% of our Consolidated Net Tangible Assets (as defined in such indentures). As of December 31, 2024, the full \$215 million was available to borrow under the Revolving Credit Facility. In addition, the Revolving Credit Agreement contains various covenants that we believe are customary for agreements of this nature, including, but not limited to, restrictions on our ability and the ability of each of our subsidiaries to incur debt, grant liens, make certain investments, make distributions, merge or consolidate, sell assets and enter into certain restrictive agreements. As of December 31, 2024, we were in compliance with all the covenants set forth in the Revolving Credit Agreement.

Interest Rate Swaps. We had two interest rate swaps in place relating to a total of \$200 million of the 2024 Senior Notes for the period to November 2024. The agreements swapped the fixed interest rate of 4.65% on \$100 million of the 2024 Senior Notes to the floating rate of one-month London Interbank Offered Rate (“LIBOR”) plus 2.426% and on another \$100 million to one-month LIBOR plus 2.823%. In March 2020, we settled both interest rate swaps with the counterparty for cash proceeds of \$13 million. The settlement resulted in a \$13 million increase to our long-term debt balance that was being amortized as a reduction to interest expense prospectively through the maturity date for the 2024 Senior Notes using the effective interest method. In the year ended December 31, 2023, we amortized \$4.4 million to interest expense, including \$2.7 million, for the write-off of interest rate swap settlement

gains associated with the retirement of the 2024 Senior Notes discussed above. In the year ended December 31, 2022, we amortized \$2.2 million to interest expense.

Debt Issuance Costs, Discount and Interest. We incurred \$6.9 million of issuance costs related to the 2024 Senior Notes. These costs were included as a reduction of long-term debt in our consolidated balance sheet. We were amortizing these costs to interest expense through the maturity date. In the year ended December 31, 2023, we amortized \$1.3 million to interest expense, including \$0.7 million, for the write-off of the debt issuance costs balance associated with the retirement of the 2024 Senior Notes discussed above. In the year ended December 31, 2022, we amortized \$0.7 million to interest expense.

We incurred \$7.1 million of issuance costs related to the 2028 Senior Notes and \$4.0 million of loan costs related to the Revolving Credit Agreement. These costs, net of accumulated amortization, are included as a reduction of long-term debt in our consolidated balance sheets, as they pertain to the 2028 Senior Notes, and in other noncurrent assets, as they pertain to the Revolving Credit Agreement. We are amortizing these costs to interest expense through the respective maturity dates for the 2028 Senior Notes and the Revolving Credit Agreement using the straight-line method, which approximates the effective interest rate method. In the years ended December 31, 2024 and 2023, we amortized \$2.1 million and \$1.6 million, respectively, to interest expense.

We recorded a discount of \$20 million related to the 2028 Senior Notes issued in October 2023. This cost, net of accumulated amortization, is included as a reduction of long-term debt in our consolidated balance sheets and is being amortized to interest expense through the maturity date of the 2028 Senior Notes using the straight-line method, which approximates the effective interest rate method. In the years ended December 31, 2024 and 2023, we amortized \$4.0 million and \$0.9 million, respectively, to interest expense.

We made cash interest payments of \$32 million, \$34 million and \$38 million in 2024, 2023 and 2022, respectively.

9. COMMITMENTS AND CONTINGENCIES

Lease Commitments

As of December 31, 2024, we occupied several facilities under noncancellable operating leases expiring at various dates through 2040. See Note 4—"Leases" for more information on our operating leases.

Insurance

The workers' compensation, maritime employer's liability and comprehensive general liability insurance policies that we purchase each include a deductible layer, for which we would be responsible, that we consider financially prudent. Insurance above the deductible layers can be by occurrence or in the aggregate. We determine the level of accruals for claims exposure by reviewing our historical experience and current year claim activity. We do not record accruals on a present-value basis. We review larger claims with insurance adjusters and establish specific reserves for known liabilities. We establish an additional reserve for incidents incurred but not reported to us for each year using our estimates and based on prior experience. We believe we have established adequate accruals for expected liabilities arising from those obligations. However, it is possible that future earnings could be affected by changes in our estimates relating to these matters.

Litigation

In the ordinary course of business, we are, from time to time, involved in litigation or subject to disputes, governmental investigations or claims related to our business activities, including, among other things:

- performance- or warranty-related matters under our customer and supplier contracts and other business arrangements; and
- workers' compensation claims, Jones Act claims, occupational hazard claims, premises liability claims and other claims.

Although we cannot predict the ultimate outcome of these matters, we believe that our ultimate liability, if any, that may result from these other actions and claims will not have a material adverse effect on our consolidated financial condition, results of operations or cash flows. However, because of the inherent uncertainty of litigation and other dispute resolution proceedings and, in some cases, the availability and amount of potentially available insurance, we can provide no assurance that the resolution of any particular claim or proceeding to which we are a party will not have a material effect on our consolidated financial condition, results of operations or cash flows for the fiscal period in which that resolution occurs.

Letters of Credit

We had \$72 million and \$62 million in letters of credit outstanding as of December 31, 2024 and 2023, respectively, which related to self-insurance requirements and various bid and performance bonds, which are usually for the duration of the applicable contract.

Financial Instruments and Risk Concentration

In the normal course of business, we manage risks associated with foreign exchange rates and interest rates through a variety of strategies, including the use of hedging transactions. As a matter of policy, we do not use derivative instruments unless we have an underlying exposure. Other financial instruments that potentially subject us to concentrations of credit risk are principally cash and cash equivalents and accounts receivable.

The carrying values of cash and cash equivalents approximate their fair values due to the short-term maturity of the underlying instruments. Accounts receivable are generated from a broad group of customers, primarily from the energy industry and the U.S. Government, which are major sources of our revenue. Due to their short-term nature, carrying values of our accounts receivable and accounts payable approximate fair market values.

We estimated the aggregate fair market value of the 2028 Senior Notes to be \$494 million as of December 31, 2024 based on quoted prices. Since the market for the 2028 Senior Notes is not an active market, the fair value of the 2028 Senior Notes is classified within Level 2 in the fair value hierarchy under U.S. GAAP (inputs other than quoted prices in active markets for similar assets and liabilities that are observable or can be corroborated by observable market data for substantially the full terms for the assets or liabilities).

Foreign currency gains (losses) were \$0.9 million, \$(1.4) million and less than \$(0.1) million in the years ended December 31, 2024, 2023 and 2022, respectively. We recorded foreign currency transaction gains (losses) as a component of other income (expense), net in our consolidated statements of operations in those respective periods.

Any conversion of cash balances in deposit accounts in Angola from kwanza to U.S. dollars is controlled by the central bank in Angola. As of December 31, 2024 and 2023, we had the equivalent of approximately \$19 million and \$8.1 million of kwanza cash balances, respectively, in Angola reflected on our consolidated balance sheets.

To mitigate our currency exposure risk in Angola, we have used kwanza to purchase equivalent Angolan central bank (Banco Nacional de Angola) bonds. These bonds are denominated as U.S. dollar equivalents, so that, upon payment of semi-annual interest and principal upon maturity, payment will be settled and made in kwanza, equivalent to the respective U.S. dollars at the then-current exchange rate. In the third quarter of 2024, we purchased \$7.0 million of U.S. dollar equivalent Angolan bonds. These bonds mature in February 2031. Because we intend to sell the bonds if we are able to repatriate the proceeds, we have classified these bonds as available-for-sale securities, and they are recorded at fair market value in other current assets in our consolidated balance sheet as of December 31, 2024. We did not sell any of our Angolan bonds in the year ended December 31, 2024. We estimated the fair market value of the Angolan bonds to be \$7.0 million as of December 31, 2024, using quoted market prices. Since the market for the Angolan bonds was not an active market, the fair value of the Angolan bonds was classified within Level 2 in the fair value hierarchy under U.S. GAAP.

As of December 31, 2022, we had \$6.2 million of U.S. dollar equivalent Angolan bonds that were classified as available-for-sale securities and recorded at fair market value in other current assets in our consolidated balance sheets. These bonds matured on September 1, 2023, and we received cash proceeds of kwanza equivalent to \$6.2 million in U.S. dollars.

In the three-month period ended June 30, 2021, we were notified by a customer in our Manufactured Products segment that it was suspending a contract that was substantially complete. Specific to this contract, we billed and received \$12 million in the year ended December 31, 2024. As of December 31, 2024, we had outstanding contract assets of approximately \$1.3 million for the contract and contract liabilities of \$2.2 million prepaid for storage of components. As of December 31, 2023, we had outstanding contract assets of approximately \$1.3 million for the contract and contract liabilities of \$3.4 million prepaid for storage of components. We are in discussions with the customer concerning the timing of remaining payments. We continue to believe we will realize these contract assets at their book values, although we can provide no assurance as to the timing of receipt of the remaining payments.

10. OPERATIONS BY BUSINESS SEGMENT AND GEOGRAPHIC AREA

Business Segment Information

We are a global technology company delivering engineered services and products and robotic solutions to the offshore energy, defense, aerospace, manufacturing and entertainment industries.

Our Energy business leverages our asset base and capabilities for providing services and products for offshore energy operations, inclusive of the offshore renewables energy market. Our Energy segments are:

- **Subsea Robotics**—Our Subsea Robotics segment provides the following:
 - ROVs for drill support and vessel-based services, including subsea hardware installation, construction, pipeline inspection, survey and facilities inspection, maintenance and repair;
 - ROV tooling; and
 - survey services, including hydrographic survey and positioning services and autonomous underwater vehicles for geoscience.
- **Manufactured Products**—Our Manufactured Products segment provides the following:
 - distribution and connection systems including production control umbilicals and field development hardware, pipeline connection and repair systems, and subsea and topside control valves primarily to the energy industry; and
 - autonomous mobile robotic technology and entertainment systems to a variety of industries.
- **Offshore Projects Group**—Our OPG segment provides the following:
 - subsea installation and intervention, including riserless light well intervention services, inspection, maintenance and repair (“IMR”) services, principally in the U.S. Gulf of Mexico and offshore Angola, utilizing owned and charter vessels;
 - installation and workover control systems and ROV workover control systems;
 - diving services;
 - project management and engineering; and
 - drill pipe riser services and systems and wellhead load relief solutions.
- **Integrity Management & Digital Solutions**—Our Integrity Management & Digital Solutions (“IMDS”) segment provides the following:
 - asset integrity management services;
 - software and analytical solutions for the bulk cargo maritime industry; and
 - software, digital and connectivity solutions for the energy industry.

Our Aerospace and Defense Technologies segment provides services and products, including engineering and related manufacturing in defense and space exploration activities, principally to U.S. Government agencies and their prime contractors.

Unallocated Expenses are those not associated with a specific business segment. These consist of expenses related to our incentive and deferred compensation plans, including restricted stock units, performance units and bonuses, as well as other general expenses, including corporate administrative expenses.

Our CODM is our chief executive officer. Our CODM analyzes each segment’s performance using revenue and operating income (loss). Operating income (loss) includes certain regional shared services cost allocations directly attributable to each segment. Intersegment revenue and expenses have been eliminated in the reported revenue and operating income (loss). We determine operating income (loss) for each business segment before interest income or expense, equity in income (losses) of unconsolidated affiliates, other income (expense) and provision for income taxes.

Our CODM uses both revenue and operating income (loss) for each segment in the annual budgeting and forecasting processes. The CODM considers budget-to-actual and forecast-to-actual variances on a quarterly basis when making decisions about the allocation of operating and capital resources to each segment.

There are no differences in the basis of segmentation or in the basis of measurement of segment profit or loss from those used in our consolidated financial statements for the years ended December 31, 2023 and 2022. We have added additional disclosures, retrospectively, as required under ASU 2023-07. The tables that follow present information about our business segments, as well as the Unallocated Expenses category, and includes a reconciliation to income (loss) before income taxes:

For the Year Ended December 31, 2024

<i>(in thousands)</i>	Subsea Robotics	Manufactured Products	OPG	IMDS	ADTech	Unallocated Expenses	Total
Revenue	\$ 829,822	\$ 555,500	\$ 591,037	\$ 291,866	\$ 392,936	\$ —	\$ 2,661,161
Cost of services and products	541,702	473,218	482,467	254,902	322,101	101,277	2,175,667
Selling, general and administrative ¹	52,909	39,282	34,871	27,137	28,634	56,391	239,224
Operating income (loss)	235,211	43,000	73,699	9,827	42,201	(157,668)	246,270
Interest income	—	—	—	—	—	12,124	12,124
Interest expense	—	—	—	—	—	(37,917)	(37,917)
Equity in income (losses) of unconsolidated affiliates	—	—	—	—	—	929	929
Other income (expense), net	—	—	—	—	—	3,510	3,510
Income (loss) before income taxes	\$ 235,211	\$ 43,000	\$ 73,699	\$ 9,827	\$ 42,201	\$ (179,022)	\$ 224,916

Depreciation and amortization	\$ 48,916	\$ 12,452	\$ 22,451	\$ 6,025	\$ 2,620	\$ 10,979	\$ 103,443
Capital expenditures, including business acquisitions	\$ 63,820	\$ 9,648	\$ 18,595	\$ 30,899	\$ 5,443	\$ 5,880	\$ 134,285

1 For all reportable segments, Selling, general and administrative expense primarily includes payroll and related costs including subcontractors and temporary labor, lease and rental expense, maintenance and supplies expense, insurance expense and certain overhead expenses.

December 31, 2024

<i>(in thousands)</i>	Subsea Robotics	Manufactured Products	OPG	IMDS	ADTech	Corporate and Other	Total
Assets	\$ 476,372	\$ 336,664	\$ 505,515	\$ 125,890	\$ 122,433	\$ 769,473	\$ 2,336,347
Property and Equipment, Net	\$ 198,088	\$ 61,751	\$ 126,468	\$ 14,908	\$ 6,706	\$ 12,177	\$ 420,098
Goodwill	\$ 23,281	\$ —	\$ —	\$ 15,615	\$ 10,454	\$ —	\$ 49,350

For the Year Ended December 31, 2023

<i>(in thousands)</i>	Subsea Robotics	Manufactured Products	OPG	IMDS	ADTech	Unallocated Expenses	Total
Revenue	\$ 752,521	\$ 493,692	\$ 546,366	\$ 255,282	\$ 376,845	\$ —	\$ 2,424,706
Cost of services and products	530,556	424,079	449,426	216,294	306,425	98,955	2,025,735
Selling, general and administrative ¹	47,672	34,062	32,394	25,615	25,417	52,483	217,643
Operating income (loss)	174,293	35,551	64,546	13,373	45,003	(151,438)	181,328
Interest income	—	—	—	—	—	15,425	15,425
Interest expense	—	—	—	—	—	(36,523)	(36,523)
Equity in income (losses) of unconsolidated affiliates	—	—	—	—	—	2,061	2,061
Other income (expense), net	—	—	—	—	—	(1,236)	(1,236)
Income (loss) before income taxes	\$ 174,293	\$ 35,551	\$ 64,546	\$ 13,373	\$ 45,003	\$ (171,711)	\$ 161,055

Depreciation and amortization	\$54,365	\$12,220	\$27,956	\$3,608	\$2,504	\$4,307	\$ 104,960
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Capital expenditures, including business acquisitions	\$67,197	\$6,776	\$8,574	\$10,346	\$4,953	\$2,880	\$ 100,726
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1 For all reportable segments, Selling, general and administrative expense primarily includes payroll and related costs including subcontractors and temporary labor, lease and rental expense, maintenance and supplies expense, insurance expense and certain overhead expenses.

December 31, 2023

<i>(in thousands)</i>	Subsea Robotics	Manufactured Products	OPG	IMDS	ADTech	Corporate and Other	Total
Assets	\$ 488,900	\$ 344,215	\$ 478,937	\$ 90,559	\$ 111,333	\$ 725,062	\$ 2,239,006
Property and Equipment, Net	\$ 186,995	\$ 68,694	\$ 135,712	\$ 13,712	\$ 7,431	\$ 11,749	\$ 424,293
Goodwill	\$ 23,760	\$ —	\$ —	\$ —	\$ 10,454	\$ —	\$ 34,214

For the Year Ended December 31, 2022

<i>(in thousands)</i>	Subsea Robotics	Manufactured Products	OPG	IMDS	ADTech	Unallocated Expenses	Total
Revenue	\$ 621,921	\$ 382,361	\$ 489,317	\$ 229,884	\$ 342,601	\$ —	\$ 2,066,084
Cost of services and products	461,394	336,527	410,944	193,160	274,154	82,528	1,758,707
Selling, general and administrative ¹	42,279	34,142	29,117	21,823	24,279	44,874	196,514
Operating income (loss)	118,248	11,692	49,256	14,901	44,168	(127,402)	110,863
Interest income	—	—	—	—	—	5,708	5,708
Interest expense	—	—	—	—	—	(38,215)	(38,215)
Equity in income (losses) of unconsolidated affiliates	—	—	—	—	—	1,707	1,707
Other income (expense), net	—	—	—	—	—	(1,011)	(1,011)
Income (loss) before income taxes	\$ 118,248	\$ 11,692	\$ 49,256	\$ 14,901	\$ 44,168	\$ (159,213)	\$ 79,052

Depreciation and amortization	\$ 67,684	\$ 11,946	\$ 28,560	\$ 4,599	\$ 2,853	\$ 5,327	\$ 120,969
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Capital expenditures, including business acquisitions	\$ 55,649	\$ 4,129	\$ 4,456	\$ 4,058	\$ 1,956	\$ 10,795	\$ 81,043
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1 For all reportable segments, Selling, general and administrative expense primarily includes payroll and related costs including subcontractors and temporary labor, lease and rental expense, maintenance and supplies expense, insurance expense and certain overhead expenses.

December 31, 2022

<i>(in thousands)</i>	Subsea Robotics	Manufactured Products	OPG	IMDS	ADTech	Corporate and Other	Total
Assets	\$ 467,608	\$ 339,087	\$ 345,264	\$ 91,154	\$ 115,450	\$ 673,120	\$ 2,031,683
Property and Equipment, Net	\$ 175,239	\$ 74,282	\$ 159,439	\$ 9,807	\$ 6,186	\$ 13,496	\$ 438,449
Goodwill	\$ 23,885	\$ —	\$ —	\$ —	\$ 10,454	\$ —	\$ 34,339

All assets specifically identified with a particular business segment have been segregated. Cash and cash equivalents, certain other current assets, certain investments and certain other assets have not been allocated to particular business segments and are included in Corporate and Other. The changes in our reporting units' goodwill balances during the periods presented are from the 2024 acquisition of GDi and currency exchange rate changes. See Note 1—"Summary of Significant Accounting Policies" for more information about the GDi acquisition.

Revenue

No individual customer accounted for more than 10% of our consolidated revenue for the year ended December 31, 2024. For the years ended December 31, 2023 and 2022, revenue from one customer, the U.S. Government, which is served primarily by our ADTech segment, accounted for 10% and 11%, respectively, of our total consolidated annual revenue, and no other customer accounted for more than 10% of our total consolidated revenue.

Depreciation and Amortization Expense

Depreciation expense on property and equipment, reflected in the Depreciation and Amortization Expense table above, was \$89 million, \$99 million and \$113 million in 2024, 2023 and 2022, respectively.

Amortization expense primarily relating to long-lived intangible assets and debt issuance costs and discounts, reflected in the Depreciation and Amortization Expense table above, was \$14 million, \$6.4 million and \$7.5 million in 2024, 2023 and 2022, respectively.

Assets, Property and Equipment, Net and Goodwill

All assets specifically identified with a particular business segment have been segregated. Cash and cash equivalents, certain other current assets, certain investments and certain other assets have not been allocated to particular business segments and are included in Corporate and Other. The changes in our reporting units' goodwill balances are from our business acquisition in 2024 and currency exchange rate changes for all of the periods presented.

Geographic Operating Areas

For 2024 and 2023, \$335 million and \$338 million of right-of-use operating lease assets are included in the following table which summarizes Property and Equipment, Net and Right-of-Use Operating Lease Assets by geographic area:

<i>(in thousands)</i>	December 31,	
	2024	2023
Property and Equipment, Net and Right-of-Use Operating Lease Assets		
Foreign:		
United Kingdom	\$ 77,584	\$ 129,124
Brazil	72,449	71,239
Norway	74,754	69,739
Africa	87,354	41,306
Asia and Australia	36,197	37,244
Other	10,982	15,267
Total Foreign	359,320	363,919
United States	395,499	397,928
Total	\$ 754,819	\$ 761,847

Revenue is based on location where services are performed and products are manufactured. See Note 3—"Revenue" for disclosure of revenue by geographic area .

11. EMPLOYEE BENEFIT PLANS

Retirement Investment Plans

We have several employee retirement investment plans that, taken together, cover most of our full-time employees. The Oceaneering Retirement Investment Plan is a 401(k) plan in which U.S. employees may participate by deferring a portion of their gross monthly salary and directing us to contribute the deferred amount to the plan. We match a portion of the employees' deferred compensation. Our contributions to the 401(k) plan were \$24 million, \$23 million and \$20 million for the plan years ended December 31, 2024, 2023 and 2022, respectively.

We also make matching contributions to foreign employee savings plans similar in nature to a 401(k) plan. In 2024, 2023 and 2022, these contributions, principally related to plans associated with the United Kingdom and Norwegian subsidiaries, were \$14 million, \$12 million and \$11 million, respectively.

The Oceaneering International, Inc. Supplemental Executive Retirement Plan covers selected key management employees and executives, as approved by the Compensation Committee of our Board of Directors (the "Compensation Committee"). Under this plan, we accrue an amount determined as a percentage of the participant's gross monthly salary and the amounts accrued are treated as if they are invested in one or more investment vehicles pursuant to this plan. Net expenses related to this plan during 2024, 2023 and 2022 were \$1.9 million, \$1.3 million and \$2.6 million, respectively.

Incentive Plans

Under our Second Amended and Restated 2010 Incentive Plan and our 2020 Incentive Plan (together the "Incentive Plans"), shares of our common stock are made available for awards to employees and nonemployee members of our Board of Directors.

The Incentive Plans are administered primarily by the Compensation Committee; however, the full Board of Directors makes determinations regarding awards to nonemployee directors under the Incentive Plans. The Compensation Committee or our Board of Directors, as applicable, determines the type(s) of award(s) to be made to each participant and sets forth in the related award agreement the terms, conditions and limitations applicable to each award. Stock options, stock appreciation rights and stock and cash awards may be made under the Incentive Plans. There are no options outstanding under either Incentive Plan. We have not granted any stock options since 2005 and the Compensation Committee has expressed its intention to refrain from using stock options as a component of employee compensation for our executive officers and other employees for the foreseeable future. Additionally, the Board of Directors has expressed its intention to refrain from using stock options as a component of nonemployee director compensation for the foreseeable future.

In 2024, 2023 and 2022, the Compensation Committee granted awards of performance units to certain of our key executives and employees. The performance units awarded are scheduled to vest in full on the third anniversary of the applicable award dates, or pro rata over three years if the participant meets certain age and years of service requirements. The Compensation Committee and the Board of Directors approved specific financial goals and measures (as defined), for each of the three-year periods ending December 31, 2026, 2025 and 2024 to be used as the basis for the final value of the performance units. The final value of the performance unit granted may range from \$0 to \$200 in each of 2024, 2023 and 2022. Upon vesting and determination of value, the value of the performance units will be payable in cash. Compensation expense related to the performance units was \$10 million, \$12 million and \$13 million in 2024, 2023 and 2022, respectively. As of December 31, 2024, there were 257,873 performance units outstanding.

Annually, the Compensation Committee of our Board of Directors grants restricted units of our common stock to certain of our key executives and employees and restricted common stock to our nonemployee directors. Over 78%, 80% and 83% of the grants made to our employees in 2024, 2023 and 2022, respectively, vest in full on the third anniversary of the award date, conditional upon continued employment through such vesting date. The remainder of the grants made to employees can vest pro rata over three years, provided the individual meets certain age and years-of-service requirements. For the grants of restricted stock units to each of the participant employees, the participant will be issued one share of our common stock for each of the participant's vested restricted stock units at the earlier of three years or, if the participant vested earlier after meeting the age and service requirements, following termination of employment or service; however, the restricted stock units outstanding have no voting or dividend rights. The grants of restricted stock to our nonemployee directors generally vest in full on the first anniversary of the award date, conditional upon continued service as a director, except for the 2023 grant to one director who retired from our board of directors as of the date of our annual meeting in May 2023, which vested on that date. Each grantee of shares of restricted stock to our nonemployee directors is deemed to be the record owner of those shares during the restriction period, with the right to vote and receive any dividends on those shares.

The Compensation Committee has a policy that Oceaneering will not provide U.S. federal income tax gross-up payments to any of its directors or executive officers in connection with future awards of restricted stock or stock units.

The additional tax charge(benefit) realized from tax deductions less than or in excess of the financial statement expense of our restricted stock grants was \$(2.0) million, \$(1.4) million and \$0.1 million in 2024, 2023 and 2022, respectively. The 2024, 2023 and 2022 charges were recognized in our consolidated statements of operations.

The following is a summary of our restricted stock and restricted stock unit activity for 2024, 2023 and 2022:

	Number	Weighted Average Fair Value	Aggregate Intrinsic Value
Balance as of December 31, 2021	2,447,259	\$ 12.10	
Granted	898,264	14.14	
Issued	(674,968)	14.53	<u>\$ 9,529,000</u>
Forfeited	(134,748)	12.19	
Balance as of December 31, 2022	2,535,807	\$ 12.18	
Granted	753,670	19.14	
Issued	(823,785)	10.95	<u>\$ 16,232,000</u>
Forfeited	(180,382)	13.82	
Balance as of December 31, 2023	2,285,310	\$ 14.78	
Granted	763,180	21.97	
Issued	(982,390)	12.32	<u>\$ 21,616,000</u>
Forfeited	(60,498)	18.29	
Balance as of December 31, 2024	2,005,602	\$ 18.62	

Grants of restricted stock units are valued at their estimated fair values as of their respective grant dates. The grants in 2024, 2023 and 2022 were subject only to vesting conditioned on continued employment or service as a nonemployee director; therefore, these grants were valued at the grant date fair market value using the closing price of our stock on the New York Stock Exchange.

Compensation expense under the restricted stock plans was \$12 million, \$11 million and \$9.6 million for 2024, 2023 and 2022, respectively. As of December 31, 2024, we had \$13 million of future expense to be recognized related to our restricted stock unit plans over a weighted-average remaining life of 1.7 years.

Post-Employment Benefit

Pursuant to a service agreement we entered into with a former Chairman of the Board of Directors, we are obligated to provide for medical coverage on an after-tax basis to him, his spouse and two adult children for their lives. Our total accrued liabilities, current and long-term, under this post-employment benefit were \$1.8 million as of both December 31, 2024 and 2023.



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