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

Form 10-K

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022

OR

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

Commission file number 1-38143

Baker Hughes Company

(Exact name of registrant as specified in its charter)

Delaware	**81-4403168**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
17021 Aldine Westfield Road **Houston, Texas**	**77073-5101**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(713) 439-8600**

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, $0.0001 Par Value per Share	BKR	The Nasdaq Stock Market LLC

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 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, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

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

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

Indicate by check mark whether the registrant 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 Act). Yes ☐ No ☑

The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter (based on the closing price on June 30, 2022 reported by the Nasdaq Stock Market LLC) was approximately $26,299,951,662.

As of February 6, 2023, the registrant had outstanding 1,011,217,705 shares of Class A Common Stock, $0.0001 par value per share.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Registrant's Definitive Proxy Statement for the 2023 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

Baker Hughes Company
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PART I

ITEM 1. BUSINESS

Baker Hughes Company ("Baker Hughes", "the Company", "we", "us", or "our") is an energy technology company with a diversified portfolio of technologies and services that span the energy and industrial value chain. Built on a century of experience and conducting business in over 120 countries, our innovative technologies and services are taking energy forward. The Company was formed in July 2017 from the combination between Baker Hughes Incorporated ("BHI") and the oil and gas business ("GE O&G") of General Electric Company ("GE"). As a result of the combination, substantially all of the business of GE O&G and of BHI was transferred to a subsidiary of the Company, Baker Hughes Holdings LLC ("BHH LLC"). BHH LLC is a Securities and Exchange Commission ("SEC") registrant with separate filing requirements with the SEC.

OUR VISION & STRATEGY

With the breadth of our portfolio, leading technology, and unique partnership models, we are positioned to deliver outcome-based solutions across the energy and industrial markets. By integrating health, safety & environment ("HSE") into everything we do, we protect our people, our customers, and the environment.

The oil and gas macroeconomic environment continues to be dynamic. We believe the world's reliance on hydrocarbons will not disappear, and oil and gas will continue to remain relevant in meeting global energy demand. At the same time, the transition to new energy sources is accelerating, with governments and society focused on a long-term goal of net-zero emissions while trying to balance the "energy trilemma" - energy security, sustainability, and affordability - for at least the foreseeable future. We believe the industry is going through a transformation that requires a change in how we work. Irrespective of commodity prices, our customers are focused on reducing both capital and operating expenditures. Our existing and new customers expect new partnership and commercial models and new technology solutions to deliver sustainable productivity improvements and leverage economies of scale, with a lower carbon footprint. That is why our strategy is focused on improving our core competitiveness and delivering higher-productivity solutions today, while positioning to lead the energy transition while solving the energy trilemma.

Our strategy is based on three key pillars:

- **Transform the core**: We are transforming our current business to improve margins and cash flow, which we are achieving through portfolio rationalization, cost improvements, and new business models.
- **Invest for growth:** We are driving organic and inorganic growth in high potential segments where we have a strong position, including industrial power and processes, industrial asset management, non-metallics, and chemicals.
- **Position for new energy frontiers:** We are making strategic investments to drive lower carbon emissions in the energy and industrial sectors, including hydrogen, geothermal, carbon capture, utilization and storage ("CCUS"), and clean power solutions.

We expect to benefit from our strategy in the following ways:

- ***Scope and scale:*** We have a global presence and a broad, diversified portfolio. Our products, services, and expertise serve the upstream, midstream/liquefied natural gas ("LNG") and downstream sectors of the oil and gas industry, as well as broader chemical and industrial segments. We deliver through our two operating segments: Oilfield Services & Equipment ("OFSE") and Industrial & Energy Technology ("IET") as discussed below under "Products and Services," and each are among the top four providers for the majority of the product lines in the markets they serve.
- ***Technology:*** Our culture is built on a heritage of innovation and invention in research and development, with complementary capabilities. Technology remains a differentiator for us, and a key enabler to drive the efficiency and productivity gains our customers need. We also have a range of technologies that support our customers' efforts to reduce their carbon footprint. We remain committed to investing in our products and services to maintain our leadership position across our offerings, including $556 million research and development spend and being granted more than 2,200 patents worldwide in 2022. We also made several

strategic acquisitions to strengthen our core technology portfolio, including AccessESP, the BRUSH Power Generation business, Qi2 Elements, and Quest Integrity.

- ***Energy transition solutions:*** We are positioned to support our customers' efforts to reduce their carbon footprint with a range of emissions-reduction products and services, which we refer to as "new energy." This includes more efficient power generation and compression technology that reduces carbon emissions, including CCUS, as well as hydrogen technologies. We also have a range of inspection and sensor technologies that can monitor and help reduce flaring and emissions. In 2022, we made strategic investments and acquisitions in emerging energy technologies to advance CCUS, hydrogen, net-zero power and e-fuels with companies such as Mosaic, HIF, NET Power, and Levidian, among others. We also continue to expand our low to zero-carbon solutions capabilities, helping customers to detect, quantify, and reduce emissions more efficiently and accurately, and complementing our existing solutions available today.
- ***Digital capabilities:*** We expect to benefit from the emerging demand for artificial intelligence ("AI") based solutions as part of our customers' digital transformation initiatives. Launched in 2019, our partnership with C3.ai, Inc. ("C3 AI") continues to enable us to deliver AI that is faster, easier, and more scalable to drive outcomes for our customers. In addition, we are delivering existing technology and collaborating on new AI applications specific for oil and gas customers. In addition to enhancing our technology portfolio with new AI applications, we are creating a digital element in our core OFSE product lines, helping them to deliver efficiency, predictability, and a better experience for our customers and ourselves. We have also continued to invest in our industrial asset management capabilities in IET, including the acquisition of ARMS Reliability and an investment in Augury, a machine health technology company, to support our customers' digital transformation programs across industrial end markets.

In September 2022, we announced a restructuring and reorganization effective October 1, 2022, to create two operating segments focused on different growth profiles and designed to simplify our operations and enhance profitability. These two operating segments are Oilfield Services & Equipment, which integrates our previous segments Oilfield Services and Oilfield Equipment, and Industrial & Energy Technology, which integrates our previous segments Turbomachinery & Process Solutions and Digital Solutions.

PRODUCTS AND SERVICES

Our two operating segments are organized based on the nature of our markets and customers and consist of similar products and services and growth profiles. We sell to our customers through direct and indirect channels. Our primary sales channel is through our direct sales force, which has a strong regional focus with local teams close to the customer, who are able to draw support from centers of excellence in each of our major product lines. Our products and services are sold in highly competitive markets and the competitive environment varies by product line. See discussion below by segment.

Oilfield Services & Equipment

The OFSE segment designs and manufactures products and provides related services for onshore and offshore oilfield operations across the lifecycle of an asset, ranging from exploration, appraisal, and development to production, rejuvenation, and decommissioning.

The OFSE segment is organized into four product lines.

- ***Well Construction*** focuses on drilling and includes drilling services (directional drilling, logging-while-drilling, surface logging, and remote operations), drill bits (polycrystalline, roller cone, hybrid, and in-bit sensing), and drilling & completions fluids (emulsion-based fluids, water-based fluids, specialty fluids, drill-in fluids, waste management, and completion fluids).
- ***Completions, Intervention, & Measurements*** encompasses completions (wellbore construction, upper and lower completions, unconventional multistage completions, intelligent production systems, workover systems, and fishing and through-tubing services), pressure pumping (cementing, production enhancement, and coiled tubing and tubular running services), and wireline services (openhole logging services, cased-hole logging services, and perforating and drill stem-testing services).

- ***Production Solutions*** spans artificial lift systems (electrical submersible pumping systems, surface pumping systems, rigless deployment systems, and sensors and gauges) and oilfield & industrial chemicals (upstream chemicals, downstream chemicals, and Aquaness wholesale chemicals).

- ***Subsea & Surface Pressure Systems*** includes subsea projects and services (subsea trees, controls, manifolds, wellheads, premium casing connectors, installation and commissioning, repairs and maintenance, well intervention, life-of-field solutions, and plug and abandonment), flexible pipe systems (subsea risers, subsea flowlines and jumpers, onshore reinforced thermoplastic pipe, and rehabilitation), and surface pressure control systems (surface trees and wellheads).

These product lines are supported by an OFSE digital group, which joins the segment's domain expertise with a deep understanding of digital technology to improve operational safety, performance, and sustainability. Reservoir analysis proficiencies are rooted in evaluation technologies, a team of reservoir experts, and software. Together, these capabilities provide customers with a greater understanding of the subsurface, enabling smoother, faster drilling and precise wellbore placement that can lead to improved recovery and project economics. OFSE also provides integrated well services and solutions to plan and execute projects ranging from well construction and production through well abandonment, in addition to integrated services and solutions for the subsea environment.

OFSE customers include large integrated major and super-major oil and natural gas companies; U.S. and international independent oil and natural gas companies; national or state-owned oil companies; engineering, procurement, and construction contractors; geothermal companies; and other oilfield service companies.

OFSE believes that its principal competitive differentiators in the industries and markets it serves are the quality, efficiency, reliability, and availability of its products and services. A continued commitment to service delivery, HSE standards, technical proficiency, and competitive pricing is also a key factor in its success.

OFSE products and services are sold in highly competitive markets, and revenue and earnings are affected by changes in commodity prices; fluctuations in levels of drilling, workover and completion activity in major markets; general economic conditions; foreign currency exchange fluctuations; and governmental regulations. While OFSE may have contracts that include multiple well projects and that may extend over a period ranging from two to four years, its services and products are generally provided on a well-by-well basis. Most contracts cover pricing of the products and services, along with various limitations on liability, but do not necessarily establish an obligation to use OFSE products and services. OFSE competitors include SLB and Halliburton (Well Construction; Completions, Intervention, & Measurements; Production Solutions; Subsea & Surface Pressure Systems); ChampionX (Production Solutions); and TechnipFMC, Aker Solutions, and NOV (Subsea & Surface Pressure Systems).

Industrial & Energy Technology

The IET segment combines a broad array of domain expertise, technologies, and services for industrial and energy customers including on-and offshore, LNG, pipeline and gas storage, refining, petrochemical, distributed gas, flow and process control, and industrial segments such as nuclear, aviation, automotive, marine, food and beverage, mining, cement and utilities. Our solutions unlock the ability to transform, transfer, and transport energy efficiently, while capturing and cutting emissions, solving a fundamental challenge behind the energy transition: reducing environmental impact, while maximizing efficiency, productivity, and reliability.

IET is organized into six product lines - *Gas Technology Equipmen*t and *Gas Technology Services*, collectively referred to as Gas Technology, and *Condition Monitoring, Inspection, Pumps Valves & Gears*, and *PSI & Controls*, collectively referred to as Industrial Technology.

Gas Technology is organized into two product lines:

- ***Gas Technology Equipment*** designs, manufactures, tests, and installs gas technology solutions that serve the entire gas value chain including offshore, onshore and unconventional, pipeline, LNG, gas storage, and gas distribution. The Gas Technology portfolio includes equipment for mechanical-drive, compression, and power-generation applications. Products include drivers, driven equipment, flow control, and turnkey solutions. Drivers are comprised of aero-derivative gas turbines, heavy-duty gas turbines, small- to medium-sized industrial gas turbines, steam turbines, electric motors, and turboexpanders. Driven equipment consists of generators and reciprocating, centrifugal, integrated zero emission compressors. As

part of its turnkey solutions, Gas Technology Equipment offers power generation and gas compression modules, waste heat/energy/pressure recovery, energy storage, modularized small and large liquefaction plants, CO2 compression, and storage/use solutions. The portfolio is complemented by solutions designed for chemical, petrochemical, and refinery applications. To meet today's industry challenges, its proprietary laboratories experiment with new materials, facilitate the adoption of additive manufacturing, and provide combustion and compression innovations by leveraging the most advance mechanical, chemical, and digital techniques.

- ***Gas Technology Services*** provides advanced solutions to maintain, repair and innovate the installed Baker Hughes fleet of rotating equipment. It also offers genuine spare parts, specialized field service engineers, and repair capabilities to keep equipment at peak level. As an Original Equipment Manufacturer (OEM), Gas Technology Services is able to optimize customers' maintenance strategy and costs, and upgrade equipment to maximize efficiency and reliability, reduce emissions, and extend the life of equipment as well as that of the entire operating plant. Through an outcome-based service approach, Gas Technology Services optimizes plant profitability and operations. These capabilities are complemented by the Baker Hughes iCenter which provides a digital collaborative environment to support customer operators with Baker Hughes' engineering know-how, transforming assets into data driven equipment and connecting them to ensure the highest performance throughout the entire life-cycle of the asset. In addition, the proprietary analytics monitored and analyzed by the Baker Hughes iCenter, automatically process incoming data to predict, detect, prevent deviations and enhance asset performance.

Industrial Technology is organized into four product lines:

- ***Condition Monitoring*** includes the Bently Nevada® and System 1® product brands, providing rack-based vibration monitoring equipment and sensors for both power generation and oil and gas operations, as well as industrial applications. The product line also provides integrated asset performance management offering through its acquisition of ARMS Reliability and its investment and alliance with Augury.

- ***Inspection*** includes the Waygate Technologies product brand of non-destructive testing technology, software, and services, including industrial radiography, ultrasonic sensors, testing machines and gauges, NDT film, and remote visual inspection. The Inspection product line also includes the Process & Pipeline Services business ("PPS") which provides pre-commissioning and maintenance services to improve throughput and asset integrity for process facilities and pipelines, as well as inline inspection solutions to support pipeline integrity.

- ***Pumps, Valves and Gears*** consists of four valve brands, Masoneilan, Consolidated, Becker, Mooney, and digital valve applications that provide durable control and pressure relief safety and reliability in various industrial and critical applications; two gear brands, Lufkin Gears and Allen Gears, that offer high-performance gearing and gear coupling solutions and services for power transmission; and centrifugal and vertical pumps and pump technologies for complex material and demanding pressure requirements. These products have applications in oil and gas, LNG, power generation, critical infrastructure, industrial manufacturing, chemical processing, mining, shipping, and nuclear industries.

- ***Precision Sensors & Instrumentation (PSI) & Controls*** includes the Panametrics®, Druck®, and Reuter-Stokes® product brands, which provide instrumentation and sensor-based technologies to better detect and analyze pressure, flow, gas, moisture, radiation, and related conditions. PSI & Controls serve a broad range of industries from oil and gas to aviation, automotive, and nuclear.

In 2022, we created the Climate Technology Solutions ("CTS") and Industrial Asset Management ("IAM") organizations which are now part of the IET segment. We believe the creation of these two groups will help accelerate the speed of commercial development across the IET product lines for solutions-based business models throughout our new energy and industrial asset management offerings.

CTS spans carbon capture, utilization and storage, hydrogen, clean power, and emissions management capabilities to enable energy operators as well as the broader industry, in particular the hard-to-abate sectors, to achieve a reliable, net-zero energy system. CTS is the primary driver of the Company's new energy orders.

IAM combines sophisticated hardware technologies with enterprise-class software as a service (SaaS) products and analytics to connect industrial assets, providing customers with the data, safety and security needed to optimize operations reliably and efficiently. IAM provides customers the technical capabilities to drive enterprise-wide digital transformation of business processes and to focus on better production outcomes along the energy and industrial processes value chain, using sensors, software as a service solutions and inspection services to connect industrial assets to the industrial internet.

IET customers for Gas Technology product lines are upstream, midstream, and downstream, onshore, and offshore, and small to large scale. Midstream and downstream customers include LNG plants, pipelines, storage facilities, refineries, and a wide range of industrial and engineering, procurement and construction ("EPC") companies. Products and services for the Industrial Technology product lines are primarily sold in a diversified, fragmented arena to a broad range of customers.

IET believes that its principal competitive factors in the industries and markets it serves are product range coverage, product technology, efficiency, product reliability and quality, availability, project execution and service capabilities, emissions, and price. IET differentiates itself from competitors with its expertise in technology and project management, local presence, and partnerships, to provide fully integrated equipment and services solutions with state-of-art technology from design and manufacture through to operations.

IET competes across a wide range of industries, including oil and gas, power generation, aerospace, and light and heavy industrials. IET competitors for Gas Technology – Equipment product line includes Siemens Energy, Solar (a Caterpillar company), MAN Energy Solutions, and Mitsubishi Heavy Industries. Our Gas Technology – Services product line competes with independent service providers such as Masaood John Brown, EthosEnergy, Sulzer, MTU, Chromalloy, and Siemens Energy. IET competitors for the pumps, gears and valves product line, include Emerson, Flowserve, Metso Outotec, Sulzer, and IMI. Competitors for the remaining IET product lines include Emerson, Honeywell Process Solutions, Olympus, Schneider Electric, and ABB.

CONTRACTS

We conduct our business under various types of contracts in the upstream, midstream, and downstream segments, including fixed-fee or turnkey contracts, transactional agreements for products and services, and long-term aftermarket service agreements.

We enjoy stable relationships with many of our customers based on long-term project contracts and master service agreements. Several of those contracts require us to commit to a fixed price based on the customer's technical specifications with little or no relief available due to changes in circumstances. In some cases, failure to deliver products or perform services within contractual commitments may lead to liquidated damages claims. We seek to mitigate these exposures through close collaboration with our customers.

We strive to negotiate the terms of our customer contracts consistent with what we consider to be industry best practices. Our customers typically indemnify us for certain claims arising from: the injury or death of their employees and often their contractors; the loss of or damage to their facility and equipment, and often that of their contractors; pollution originating from their equipment or facility; and all liabilities related to the well and subsurface operations, including loss or damage to the well or reservoir, loss of well control, fire, explosion, or any uncontrolled flow of oil or gas. Conversely, we typically indemnify our customers for certain claims arising from: the injury or death of our employees and often that of our subcontractors; the loss of or damage to our equipment; and surface pollution originating from our equipment while under our control. Where the above indemnities do not apply or are not consistent with industry best practices, we typically provide a capped indemnity for damages caused to the customer by our negligence and include an overall limitation of liability clause. It is also our general practice to include a limitation of liability for consequential loss, including loss of profits and loss of revenue, in all customer contracts.

Our indemnity structure may not protect us in every case. Certain U.S. states have enacted oil and natural gas specific anti-indemnity statutes that can void the allocation of liability agreed to in a contract. Applicable law or the negotiated terms of a customer contract may also limit indemnity obligations in the event of gross negligence or willful misconduct. We sometimes contract with customers that are not the end user of our products. It is our practice to seek to obtain an indemnity from our customer for any end-user claims, but this is not always possible. Similarly, government agencies and other third parties may make claims in respect of which we are not indemnified

and for which responsibility is assessed proportionate to fault. We have an established process to review any risk deviations from our standard contracting practices.

The Company maintains a commercial general liability insurance policy program that covers against certain operating hazards, including product liability claims and personal injury claims, as well as certain limited environmental pollution claims for damage to a third party or its property arising out of contact with pollution for which the Company is liable; however, clean up and well control costs are not covered by such program. All of the insurance policies purchased by the Company are subject to deductible and/or self-insured retention amounts for which we are responsible for payment, specific terms, conditions, limitations, and exclusions. There can be no assurance that the nature and amount of Company insurance will be sufficient to fully indemnify us against liabilities related to our business.

ORDERS AND REMAINING PERFORMANCE OBLIGATIONS

Remaining performance obligations, a defined term under U.S. generally accepted accounting principles ("GAAP"), are unfilled customer orders for products and product services excluding any purchase order that provides the customer with the ability to cancel or terminate without incurring a substantive penalty, even if the likelihood of cancellation is remote based on historical experience. For product services, an amount is included for the expected life of the contract.

We recognized orders of $26.8 billion, $21.7 billion and $20.7 billion in 2022, 2021 and 2020, respectively. We recognized OFSE orders of $14.1 billion, $11.8 billion, and $12.3 billion and IET orders of $12.7 billion, $9.9 billion, and $8.4 billion in 2022, 2021 and 2020, respectively. As of December 31, 2022 and 2021, the remaining performance obligations totaled $27.8 billion and $23.6 billion, respectively. As of December 31, 2022 and 2021, OFSE remaining performance obligations totaled $2.6 billion and $2.0 billion, and IET remaining performance obligations totaled $25.3 billion and $21.5 billion, respectively.

RESEARCH AND DEVELOPMENT

We engage in research and development activities directed primarily toward the development of new products, services, technology, and other solutions, as well as the improvement of existing products, services and the design of specialized products to meet specific customer needs. We continue to invest across both operating segments in products to enhance safety, develop capability, improve performance, and reduce costs aligned with our operational strategy. Through our Technology Centers we also invest heavily in fundamental technologies such as materials, additive manufacturing, sensing, artificial intelligence/machine learning and other digital technologies such as computer vision, data science, and edge computing.

In OFSE, we continue to fund a range of formation evaluation capabilities as well as drilling, completions, and production hardware. Also in OFSE, the recent focus has been to expand capability into deeper water, longer offsets and at higher pressures as well as modular designs that allow for simpler and more digitally integrated well and field systems.

In IET, we continue to invest and develop foundational technologies which will enable our journey for the energy transition. Such technologies include advanced materials, advanced manufacturing technologies, novel process technologies, and digital technologies such as advanced sensing & diagnostics, data sciences, and artificial intelligence. Within Gas Technology, we are focusing on our latest generation of gas turbines for energy efficiency and reduced carbon footprint such as our LM9000^{TM} and Nova LT^{TM} products, as well as Allam Cycle turboexpander, CCUS, and hydrogen and geothermal technologies. Within Industrial Technology, we are investing in advanced digital solutions designed to improve the efficiency, reliability, and safety of oil and gas, aerospace, energy, and broader industrial production and operations. This includes our Orbit 60 Bently Nevada product for critical asset monitoring in turbine systems, including wind, hydro, and gas turbines. The IET segment is also enhancing its process and safety valve business bringing new digital applications including analytics to our customers. Investments in Industrial Technology also include technologies to measure, monitor, and minimize carbon emissions, new inspection technologies for nondestructive evaluation of materials and structures as well as solutions for industrial asset management.

INTELLECTUAL PROPERTY

Our technology, brands and other intellectual property ("IP") rights are important elements of our business. We rely on patent, trademark, copyright, and trade secret laws, as well as non-disclosure and employee invention assignment agreements to protect our IP rights. Many patents and patent applications comprise the Baker Hughes portfolio and are owned by us. Other patents and patent applications applicable to our products and services are licensed to us by GE and, in some cases, third parties. In particular, we have an IP cross-license agreement with GE that allows both parties to have continued and permanent rights to commercially utilize certain IP of the other pursuant to the terms of the agreement. The IP cross-licenses remain in place following GE exiting its ownership position in us. We do not consider any individual patent to be material to our business operations.

We follow a policy of seeking patent and trademark protection in numerous countries and regions throughout the world for products and methods that appear to have commercial significance. We believe that maintenance, protection and enforcement of our patents, trademarks, and related IP rights is central to the conduct of our business, and aggressively pursue protection of our IP rights against infringement, misappropriation, or other violation worldwide as may be necessary to protect our business. Additionally, we consider the quality and timely delivery of our products, the service we provide to our customers, and the technical knowledge and skills of our personnel to be other important components of the portfolio of capabilities and assets supporting our ability to compete.

SEASONALITY

Our operations can be affected by seasonal events, which can temporarily affect the delivery and performance of our products and services, and our customers' budgetary cycles. Examples of seasonal events that can impact our business are set forth below:

- Adverse weather conditions, such as hurricanes in the Gulf of Mexico, may interrupt or curtail coastal and offshore drilling, which may impact our operations or our customers' operations, cause supply disruptions and result in a loss of revenue and damage to our equipment and facilities, which may or may not be insured. Other adverse weather conditions could include extreme heat in the Middle East during the summer months which may impact our operations or our customers' operations.
- The severity and duration of both the summer and the winter in North America can have an impact on activity levels and produce variability throughout the year.
- Severe weather during the winter months normally results in reduced activity levels in the North Sea generally in the first quarter and may interrupt or curtail our operations, or our customers' operations, in those areas and result in a loss of revenue.
- Many of our international OFSE customers may increase activity for certain products and services in the fourth quarter as they seek to fully utilize their annual budgets.
- Our broader IET businesses typically experience higher customer activity as a result of spending patterns in the second half of the year.

RAW MATERIALS

We purchase various raw materials and component parts for use in manufacturing our products and delivering our services. The principal raw materials we use include steel alloys, chromium, nickel, titanium, barite, beryllium, copper, lead, tungsten carbide, synthetic and natural diamonds, gels, sand and other proppants, printed circuit boards and other electronic components, and hydrocarbon-based chemical feed stocks. Raw materials that are essential to our business are normally readily available from multiple sources, but may be subject to price volatility. Due to COVID-19 and other macro-economic factors, the availability of electronic components has resulted in additional expediting activities, fulfillment challenges, and in some cases price increases. We have also seen price increases for ferrous and non-ferrous metals and other raw materials. Our procurement teams utilize advanced planning and may enter into strategic agreements with our global suppliers to minimize price impacts and other availability challenges. We anticipate some pricing and fulfillment volatility for certain raw materials, components and certain logistics lanes to continue through 2023.

In addition to raw materials and component parts, we also use the products and services of metal fabricators, machine shops, foundries, forge shops, assembly operations, contract manufacturers, logistics providers, packagers, indirect material providers, and others in order to produce and deliver products to customers. These materials and services are generally available from multiple sources.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Environmental

We believe we have an important role to play in society as an industry leader and partner. We view ESG as a key lever to transform the performance of our Company and our industry. In 2019, we made a commitment to reduce Scope 1 and 2 carbon emissions from our operations by 50% by 2030 and achieve net zero emissions by 2050. This goal encompasses emissions from our direct operations ("Scope 1 and 2 carbon emissions") in alignment with the Paris Agreement and the specific recommendations of the United Nations ("UN") Intergovernmental Panel on Climate Change's Special Report on Global Warming of 1.5°C.

We continue to make progress on emissions reductions. We reported in our 2021 Corporate Responsibility report a 23% reduction in our Scope 1 and 2 carbon emissions compared to our 2019 base year. This reduction was primarily due to executing on our net-zero roadmap and the key decarbonization pathways through a combination of energy efficiency initiatives, facility consolidation, increasing electric power consumption from renewable energy sources, and improvements in our vehicle fleet, among other reasons. We will continue to employ a broad range of emissions reduction initiatives across manufacturing, supply chain, logistics, energy sourcing, and generation.

We also continue efforts to reduce our overall environmental footprint by using materials wisely and preserving land, water, and air quality. Our sustainability commitments include our formal participation in the UN Global Compact ("UNGC") and our commitment to the Ten Principles including human rights, labor, environment, and anti-corruption, as well as the UNGC's Sustainable Development Goals. We have annually renewed our commitment to the UN Global Compact since joining in 2019.

Social & Human Capital

At Baker Hughes, our people are central contributors to our purpose of taking energy forward. As an energy technology company with operations around the world, we believe that a diverse workforce is critical to our success, and we aim to attract the best and most diverse talent to support the energy transition. We strive to be an inclusive and safe workplace, with opportunities for our employees to grow and develop in their careers, supported by learning and development opportunities, competitive compensation, benefits, health and wellness programs, and by programs that build connections between our employees and their communities.

As of December 31, 2022, we had approximately 55,000 employees. More than 42,000 of our employees work outside the U.S. in over 85 different countries with more than 150 nationalities represented. This diversity of global perspectives makes our Company stronger, more resilient, and more responsive to our global customers.

Diversity, Equity, and Inclusion ("DEI")

We believe unique ideas and perspectives fuel innovation and our differences make us stronger. We value difference in gender, race, ethnicity, age, gender identity, sexual orientation, ability, cultural background, religion, veteran status, experience, and thought across the globe. We celebrate the diversity and uniqueness of each employee and believe that everyone has the right to be treated with fairness, dignity, and respect. And we know that our commitment to DEI will enable us to continue to recruit and retain a diverse workforce, promote an inclusive culture, expand our supplier diversity, and be a stronger partner to our customers and our community.

As we continue to prioritize DEI, we are focused on diversifying our workforce, with a particular emphasis on increasing gender representation. In 2022, the percentage of people who identify as women in our workforce, senior leadership positions, and on our Board of Directors, was 19%, 19%, and 33%, respectively. Specific to the U.S., 36% of our employees identify as people of color.

To ensure we have access to and support diverse pipelines of talent across the globe while prioritizing development and retention, we have ongoing DEI annual plan meetings with our executive leadership team. These annual meetings hold leadership accountable for integrating DEI into their respective parts of the business. We have corporate memberships with respected nonprofits, such as Ally Energy, Catalyst, Disability:IN, and the Women's Energy Network, which provide partnership and guidance as we continue our efforts in fostering a diverse, equitable, and inclusive culture. Our talent acquisition efforts as well as our eight global employee resource groups support the engagement and retention of diverse talent.

Talent Acquisition: We have enacted a number of initiatives to support our global goal of increasing the number of diverse employees. We have conducted training on unconscious bias and launched pilot projects on blind resumes and debiasing job descriptions, interview templates, and assessments as well as expanded our talent acquisition focus to include executive search services.

Employee Resource Groups ("ERG"): ERGs consist of employees who have joined together based on shared interests, characteristics, or life experiences. These groups can have a powerful influence on driving change by elevating the conversation and awareness around key issues and engaging with the communities where we operate. In 2022, we further expanded our support of the ERGs in several ways, including the opportunity for ERGs to nominate charitable organizations to receive grants from the Baker Hughes Foundation. These efforts have helped our DEI focus and fostered closer connections between employees in communities around the world.

Inclusive Culture: We have several programs and initiatives that cultivate an inclusive culture. The Baker Hughes Global DEI Council, comprised of executives representing our businesses, functions and regions, supports the success of our DEI mission and meets quarterly to review progress and discuss ways in which to continue to advance our efforts. The DEI Community of Practice facilitates sharing best practices across the enterprise. We provide our workforce with tools, resources, and learning opportunities that raise awareness, foster inclusive behaviors, and build cross-cultural competences.

Compensation and Benefits

We are committed to paying for performance and supporting our employees' wellbeing, as well as the wellbeing of their families, by offering flexible and competitive benefits tailored by location to meet the specific needs of our employees. We regularly assess our total compensation and benefits programs through regular benchmarking with industry peers and local markets. We strive to ensure that our compensation programs are fair and equitable for all employees. Healthcare plans and life insurance are a core benefit of the Company and are provided in most locations. Baker Hughes offers various leaves of absence options for certain quality-of-life needs, including family care. We also continue to assess and provide programs that support our employees' work arrangements such as flexible schedules, compressed work weeks, hybrid work, remote work, and other options.

Learning and Development

Learning and Development is a personal journey at Baker Hughes. We empower our employees to follow their passion for personal knowledge, job related skills, development, and the domain expertise needed for professional and personal growth. In alignment with this, in 2022, we added *CORE Strengths* and *Journey* courses to our learning communities catalog for our employees to learn, share and practice with their peers no matter where they are in their career. *CORE Strengths* adds focus to the critical skills (for example Data Analytics, Project Management, Change Management) that will help transform our organization, and *Journey* is targeted for our promoted leaders to help them transition to their newly expanded role. Also in 2022, we started offering in-person learning opportunities to compliment the robust virtual learning catalog with workshops, team development, and flagships. In 2021, we launched the community, CORE Values, which is a curated learning space centered around our Baker Hughes Values: Grow, Care, Collaborate & Lead, and the behaviors associated with each value. Each learning community involves e-learning, virtual workshops, and allows participants to lead their own sessions.

Our formal leadership development programs play a pivotal role in attracting, retaining, and developing talent and increasing the pipeline of diverse talent into and within the organization. As an example, Aspire is a two-year rotational leadership program for recent graduates and early-career employees to grow functional and leadership skills through challenging assignments, learning plans, and global cross-functional projects.

Health, Safety, Environment, and Wellness

Health and safety is at the core of our culture as we are committed to doing the right thing to protect our employees, customers, the communities where we live and work, and the environment. We take a risk-based approach with proactive and preventive programs to deliver safe, secure, and sustainable operations. We have established a stringent set of standards which meet or exceed global regulatory requirements.

Our commitment to HSE starts at the highest levels of our Company and is embedded throughout all layers of the organization. We encourage and empower all employees to take an active role in "owning" HSE by stopping work when conditions are unsafe and reporting observations, near misses, and stop-work events through open reporting channels. Our teams are required to complete recurring training. We offer more than 230 unique HSE courses including foundational training required for all employees, workplace and job-specific training, and human-performance leadership training for managers. Our ambition is to make every day a Perfect HSE Day—one without serious injuries, accidents, or harm to the environment. In 2022, we achieved 217 Perfect HSE Days, up 6% versus 2021.

Our commitment to HSE goes beyond safety alone. Occupational health and wellness is a key competency jointly managed within our HSE and HR centers of excellence. Since the start of the COVID-19 pandemic, we have taken prudent steps as a company to reduce the risk and spread of the virus. Our top priorities have remained: protecting our employees, maintaining operations, and supporting customers and communities globally. As conditions improved in certain places, we started bringing more employees back to offices and worksites and enabled opportunities for more in-person engagements where it was safe to do so. We continue to monitor the situation and will adapt our protocols as needed to protect our employees and deliver for our customers, in alignment with all associated requirements.

The importance of physical health, ergonomics, preventative health care, and mental wellness cannot be overstated in promoting a healthy, engaged, and productive workplace. We work with our health benefit providers and internal teams to offer employees health and wellness programs, telemedicine access, health screenings, immunizations, fitness reimbursements, and virtual wellness tools.

In 2022, the mental health and emotional well-being of our employees continued to be a critical priority. We hosted numerous events with Baker Hughes leaders and external experts, further embedded mental well-being into leadership engagements, and provided resources and tools to employees. Our Employee Assistance Program ("EAP") helps employees navigate daily life to manage remote work, cope with major life events or deal with a global pandemic. The EAP gives employees and their family members direct access to professional coaches for in-the-moment counseling or referrals to community experts and extended care providers.

Community Involvement

Baker Hughes seeks to make a positive impact in the communities where we conduct business around the world. Consistent with our purpose and values, we work to advance environmental quality, educational opportunities, health, and wellness. We benefit our communities through financial contributions, in-kind donations of goods and services, and volunteer projects. The Baker Hughes Foundation makes strategic philanthropic contributions, matches Baker Hughes employee charitable contributions, and awards volunteer recognition grants for outstanding employee community service.

Governance

The Company’s Board of Directors ("the Board") believes the purpose of corporate governance is to maximize shareholder value in a manner consistent with legal requirements and the highest standards of integrity. The Board has adopted and adheres to corporate governance practices, which the Board and management believe promote this purpose, are sound, and represent best practices. The Board periodically reviews these governance practices, Delaware law (the state in which the Company is incorporated), the rules and listing standards of Nasdaq and SEC regulations, as well as best practices suggested by recognized governance authorities.

Our Board monitors and provides oversight over our ESG policies, programs, and practices regarding corporate responsibility and sustainability and plays an active role in overseeing our human capital management efforts. Our Human Capital and Compensation Committee provides oversight of our social strategy, policies, programs, and

initiatives focusing on DEI as well as pay equity, culture, talent development, succession planning, and executive compensation and benefits. Our Governance & Corporate Responsibility Committee provides oversight of the Company's environmental matters, including monitoring its sustainability strategy and initiatives and the management of employee health, safety, and wellness matters. The Audit Committee provides oversight over the Company's risk assessment and risk management policies and processes, including data privacy, ethics, and compliance reporting.

GOVERNMENTAL REGULATION

Environmental Matters

We are committed to the health and safety of people, protection of the environment and compliance with environmental laws, regulations and our policies. Our past and present operations include activities that are subject to extensive domestic (including U.S. federal, state and local) and international regulations concerning, among other things, air and water quality, waste management, and land protection. Environmental regulations continue to evolve, and changes in standards of enforcement of existing regulations, as well as the enactment of new legislation, may require us and our customers to modify, supplement or replace equipment or facilities or to change or discontinue present methods of operation. Our environmental compliance expenditures and our capital costs for environmental control equipment may change accordingly.

While we seek to embed and verify sound environmental practices throughout our business, we are, and may in the future be, involved in voluntary remediation projects at current and former properties, typically related to historical operations. On rare occasions, our remediation activities are conducted as specified by a government agency-issued consent decree or agreed order. Remediation costs at these properties are accrued using currently available facts, existing environmental permits, technology and presently enacted laws and regulations. For sites where we are primarily responsible for the remediation, our cost estimates are developed based on internal evaluations and are not discounted. We record accruals when it is probable that we will be obligated to pay amounts for environmental site evaluation, remediation or related activities, and such amounts can be reasonably estimated. Accruals are recorded even if significant uncertainties exist over the ultimate cost of the remediation. Ongoing environmental compliance costs, such as obtaining environmental permits, installation and maintenance of pollution control equipment and waste disposal, are expensed as incurred.

The U.S. Comprehensive Environmental Response, Compensation and Liability Act (known as "Superfund") imposes liability for the release of a "hazardous substance" into the environment. Superfund liability is imposed without regard to fault, even if the waste disposal was in compliance with laws and regulations. We have been identified as a potentially responsible party ("PRP") at various Superfund sites, and we accrue our share, if known, of the estimated remediation costs for the site. PRPs in Superfund actions have joint and several liability and may be required to pay more than their proportional share of such costs.

In some cases, it is not possible to quantify our ultimate exposure because the projects are either in the investigative or early remediation stage, or superfund allocation information is not yet available. Based upon current information, we believe that our overall compliance with environmental regulations, including remediation obligations, environmental compliance costs and capital expenditures for environmental control equipment, will not have a material adverse effect on our capital expenditures, earnings or competitive position because we have either established adequate reserves or our compliance cost, based on available information, is not expected to be material to our consolidated financial statements. Our total accrual for environmental remediation was $63 million and $67 million at December 31, 2022 and 2021, respectively. We continue to focus on reducing future environmental liabilities by maintaining appropriate Company standards and by improving our environmental assurance programs.

Other Regulatory Matters

We are subject to regulation by various U.S. federal regulatory agencies and by the applicable regulatory authorities in countries in which our products are manufactured or sold. Such regulations principally relate to the ingredients, classification, labeling, safety, manufacturing, packaging, transportation, advertising, and marketing of our products. Additionally, as a U.S. entity operating through subsidiaries in non-U.S. jurisdictions, we are subject to foreign exchange control, transfer pricing and customs laws that regulate the import and export of goods as well as the flow of funds between us and our subsidiaries. In particular, the shipment of goods, services and technology

across international borders subjects us to extensive trade laws and regulations. Our import activities are governed by the unique customs laws and regulations in each of the countries where we operate. Pursuant to their laws and regulations, governments may impose economic sanctions against certain countries, persons and entities that may restrict or prohibit transactions involving such countries, persons and entities, which may limit or prevent our conduct of business in certain jurisdictions. We are also required to be in compliance with transfer pricing, securities laws, and other statutes and regulations, such as the U.S. Foreign Corrupt Practices Act (the "FCPA") and other countries' anti-corruption and anti-bribery regimes.

As a result of the ongoing conflict between Russia and Ukraine that began in February of 2022, governments in the U.S., United Kingdom, European Union ("EU"), and other countries enacted sanctions against Russia and certain Russian interests. As previously announced on March 19, 2022, we suspended any new investments in our Russia operations, but continued to comply with applicable laws and regulations as we fulfilled current contractual obligations. Over the course of the second quarter of 2022, we closely monitored the developments in Ukraine and Russia and changes to sanctions all of which continued to make ongoing operations increasingly complex and significantly more challenging. As a result, we completed a number of actions during the course of 2022 including the sale of part of our OFSE Russia business and suspended substantially all of our remaining operational activities in Russia. For further information see "Note 20. Restructuring, Impairment and Other" and "Note 21. Business Dispositions and Acquisitions" of the Notes to Consolidated Financial Statements in Item 8 herein.

We are also subject to laws relating to data privacy and security and consumer credit, protection and fraud. An increasing number of governments worldwide have established laws and regulations, and industry groups also have promoted various standards, regarding data privacy and security, including with respect to the protection and processing of personal data. The legal and regulatory environment related to data privacy and security is increasingly rigorous, with new and constantly changing requirements applicable to our business, and enforcement practices are likely to remain uncertain for the foreseeable future. We are also subject to labor and employment laws, including regulations established by the U.S. Department of Labor and other local regulatory agencies, which sets laws governing working conditions, paid leave, workplace safety, wage and hour standards, and hiring and employment practices.

While there are no current regulatory matters that we expect to be material to our results of operations, financial position or cash flows, there can be no assurances that existing or future environmental laws and other laws, regulations and standards applicable to our operations or products will not lead to a material adverse impact on our financial condition, results of operations or cash flows.

AVAILABILITY OF INFORMATION FOR STOCKHOLDERS

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), are made available free of charge on our internet website at www.bakerhughes.com as soon as reasonably practicable after these reports have been electronically filed with, or furnished to, the SEC, and can be found at their internet website www.sec.gov. In addition, our Corporate Responsibility reports are available on the Company section of our website at www.bakerhughes.com. Information contained on or connected to our website is not incorporated by reference into this annual report on Form 10-K and should not be considered part of this annual report or any other filing we make with the SEC.

We have a Code of Conduct to provide guidance to our directors, officers, and employees on matters of business conduct and ethics, including compliance standards and procedures. We also require our principal executive officer, principal financial officer and principal accounting officer to sign a Code of Ethical Conduct Certification annually.

The Code of Conduct, referred to as Our Way: The Baker Hughes Code of Conduct, and the Code of Ethical Conduct Certifications are available on the Investor section of our website at www.bakerhughes.com. We will disclose on a current report on Form 8-K or on our website information about any amendment or waiver of these codes for our executive officers and directors. Waiver information disclosed on our website will remain on the website for at least 12 months after the initial disclosure of a waiver. Our Governance Principles and the charters of our Audit Committee, Human Capital and Compensation Committee, Conflicts Committee, and Governance and Corporate Responsibility Committee of our Board of Directors are also available on the Investor section of our website at www.bakerhughes.com. In addition, a copy of the Code of Conduct, Code of Ethical Conduct

Certifications, Governance Principles, and the charters of the committees referenced above are available in print at no cost to any shareholder who requests them.

EXECUTIVE OFFICERS OF BAKER HUGHES COMPANY

The following table shows, as of February 14, 2023, the name of each of our executive officers, together with his or her age and office presently or previously held. There are no family relationships among our executive officers.

Name	Age	Position and Background
Lorenzo Simonelli	49	**Chairman, President and Chief Executive Officer** Lorenzo Simonelli has been the Chairman of the Board of Directors of the Company since October 2017, and a Director, President and Chief Executive Officer of the Company since July 2017. Prior to joining the Company in July 2017, Mr. Simonelli was Senior Vice President, GE and President and Chief Executive Officer, GE Oil & Gas from October 2013 to July 2017. Before joining GE Oil & Gas, he was the President and Chief Executive Officer of GE Transportation from July 2008 to October 2013. Mr. Simonelli joined GE in 1994 and held various finance and leadership roles from 1994 to 2008.
Nancy Buese	53	**Chief Financial Officer** Nancy Buese is the Chief Financial Officer of the Company. Prior to joining the Company in November 2022, she served as Executive Vice President ("EVP") and Chief Financial Officer ("CFO") of Newmont Corporation, a gold mining company, since October 2016. Prior to her role at Newmont, Ms. Buese spent more than a decade as EVP & CFO of MarkWest Energy Partners, a leader in gathering, processing, and transportation of hydrocarbons, as well as EVP & CFO of MPLX (a subsidiary of Marathon Petroleum) following MPLX's acquisition of MarkWest. She began her career in public accounting, starting as an accountant for Arthur Andersen and rising to be a partner at Ernst & Young until 2003.
Jim Apostolides	45	**Senior Vice President, Enterprise Operational Excellence** Jim Apostolides is the Senior Vice President of Enterprise Operational Excellence of the Company. He previously served as Senior Vice President of Enterprise Excellence from February 2020 - September 2022. In July 2017, he was appointed VP of Materials Management, Logistics, and Cash Operations. He began his career in 1999 with GE and held roles of increasing responsibility, including managerial positions in Shop Operations, Materials, Sourcing, and Fulfillment across multiple continents.
Maria Claudia Borras	54	**Executive Vice President, Oilfield Services and Equipment** Maria Claudia Borras is the Executive Vice President, Oilfield Services and Equipment of the Company. She previously served as Executive Vice President, of Oilfield Services from July 2017 - September 2022. Prior to joining the Company in July 2017, she served as the Chief Commercial Officer of GE Oil & Gas from January 2015 to July 2017. Prior to joining GE Oil & Gas, she held various leadership positions at Baker Hughes Incorporated including President, Latin America from October 2013 to December 2014, President, Europe Region from August 2011 to October 2013, Vice President, Global Marketing from May 2009 to July 2011 and other leadership roles at Baker Hughes Incorporated from 1994 to April 2009.
Kurt Camilleri	48	**Senior Vice President, Controller and Chief Accounting Officer** Kurt Camilleri is the Senior Vice President, Controller and Chief Accounting Officer of the Company. Prior to joining the Company in July 2017, he served as the Global Controller for GE Oil & Gas from July 2013 to July 2017. Mr. Camilleri served as the Global Controller for GE Transportation from January 2013 to June 2013 and the Controller for Europe and Eastern and African Growth Markets for GE Healthcare from 2010 to January 2013. He began his career in 1996 with Pricewaterhouse in London, which subsequently became PricewaterhouseCoopers.

Name	Age	Position and Background
Regina Jones	52	**Chief Legal Officer** Regina Jones is the Chief Legal Officer of the Company. Prior to joining the Company in May 2020, she served as Executive Vice President, General Counsel and Corporate Secretary for Delek U.S. Holdings, Inc and Delek Logistics Partners LP from May 2018 to April 2020. Prior to that, she worked at Schlumberger as General Counsel for the Land Rigs product line from June 2016 to May 2018 and in various international legal roles in France, Malaysia and the United States from 2005 to 2018.
Ganesh Ramaswamy	54	**Executive Vice President, Industrial & Energy Technology** Ganesh Ramaswamy is the Executive Vice President, Industrial & Energy Technology. Prior to joining the Company in January 2023, he served as President of Global Services for Johnson Controls. Prior to joining Johnson Controls, he served at Danaher Corporation in various executive roles including Senior Vice President of High Growth Markets at Beckman Coulter Diagnostics; President of Videojet Technologies; and Group Executive for Marking & Coding. Earlier in his career, Ramaswamy held executive roles at Hoya Corporation. He began his career in product development and general management for GE Global Research and GE Healthcare.

ITEM 1A. RISK FACTORS

An investment in our common stock involves various risks. When considering an investment in the Company, one should carefully consider all of the risk factors described below, as well as other information included and incorporated by reference in this annual report. There may be additional risks, uncertainties and matters not listed below, that we are unaware of, or that we currently consider immaterial. Any of these may adversely affect our business, financial condition, results of operations and cash flows and, thus, the value of an investment in the Company.

OPERATIONAL RISKS

We operate in a highly competitive environment, which may adversely affect our ability to succeed. Our investments in new technologies, equipment, and facilities may not provide competitive returns.

We operate in a highly competitive environment for marketing oilfield products and services and securing equipment. Our ability to continually provide competitive products and services can impact our ability to defend, maintain or increase prices for our products and services, maintain market share, and negotiate acceptable contract terms with our customers. In order to be competitive, we must provide new and differentiating technologies, reliable products and services that perform as expected and that create value for our customers.

We continue to invest in new technologies, equipment, and facilities. Our ability to defend, maintain or increase prices for our products and services is in part dependent on the industry's capacity relative to customer demand, and on our ability to differentiate the value delivered by our products and services from our competitors' products and services. Managing development of competitive technology and new product introductions on a forecasted schedule and at a forecasted cost can impact our financial results. If we are unable to continue to develop and produce competitive and innovative technology or deliver it to our clients in a timely and cost-competitive manner in response to changes in the market, customer requirements, competitive pressures, or as a result of the energy transition to lower carbon emitting technology, or if competing technology accelerates the obsolescence of any of our products or services, any competitive advantage that we may hold, and in turn, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

Failure to effectively and timely execute our energy transition strategy could have an adverse effect on the demand for our technologies and services.

Our future success may depend upon our ability to effectively execute on our energy transition strategy. Our strategy depends on our ability to develop additional innovative technologies and work with our customers and partners to advance new energy solutions such as carbon capture utilization and storage, hydrogen energy, geothermal, and other integrated solutions. If the energy transition landscape changes faster than anticipated or faster than we can transition or if we fail to execute our energy transition strategy as planned, demand for our technologies and services or access to credit could be adversely affected.

The implementation of our plan to restructure our corporate organization and operating segments may not achieve the results we anticipate, which could adversely affect our business.

In the second half of 2022, we announced a plan to undertake certain corporate realignments and restructure our four operating segments to focus on two operating segments, OFSE and IET, in order to simplify and streamline our organizational structure, and create better flexibility and economies of scale across the two operating segments. These restructuring activities may be more costly than anticipated, and could lead to the diversion of management's attention from other business priorities. As a result of these or any other factors, we may not realize the anticipated benefits associated with the restructuring plan. There can be no assurance that the restructuring plan will result in cost savings or will materially increase our profitability. Even if the restructuring plan generates the benefits that we have anticipated, there may be other unforeseeable and unintended factors or consequences that occur as a result of the restructuring, which could adversely affect our business.

Disruptions in our supply chain, the high cost or unavailability of raw materials, equipment, and supplies essential to our business could adversely affect our ability to execute our operations on a timely basis.

Our manufacturing operations are dependent on having sufficient raw materials, component parts and manufacturing capacity, including labor, available to meet our manufacturing plans on a timely basis, at a reasonable cost while minimizing inventories. Disruptions within our supply chain resulting from factors including, but not limited to, the ongoing COVID-19 pandemic, inflation, rising interest rates, and shortages in labor supply, have had and may continue to have an impact on our business and reputation. As a result of these or any other factors, our ability to execute our operations on a timely basis, including our ability to meet our manufacturing plans and revenue goals, control costs, and avoid shortages or over-supply of raw materials and component parts, could be adversely affected.

If we are unable to attract and retain key personnel, we may not be able to execute our business strategy effectively and our operations could be adversely affected.

Our operations and future success depend on our ability to recruit, train, and retain key personnel. People are a key resource to developing, manufacturing, and delivering our products and providing technical services to our customers around the world. A competent, well-trained, highly skilled, motivated, and diverse workforce has a positive impact on our ability to attract and retain business. Difficulties in hiring or retaining key employees, or the unexpected loss of experienced employees resulting in the depletion of our institutional knowledge base, could have an adverse impact on our business performance, reputation, financial condition, or results of operations. Additionally, successfully executing organizational change as we restructure the Company, management transitions at leadership levels of the Company, and motivation and retention of key employees is critical to our business success. Factors that may affect our ability to attract and retain sufficient numbers of qualified employees include employee morale, our reputation, competition from other employers, and availability of qualified individuals. Other factors that have and could continue to impact our workforce is changes to our office environments, the adoption of new work models, and our requirements and/or expectations about when or how often certain employees work on-site or remotely which may not meet the expectations of our employees.

Our business could be impacted by both geopolitical and terrorism threats, including armed conflict, in countries where we or our customers do business and our business operations may be impacted by civil unrest and/or government expropriations.

Geopolitical and terrorism threats continue to grow in a number of key countries where we currently or may in the future do business. Geopolitical and terrorism threats, including armed conflict among countries, has had and could in the future lead to, among other things, a loss of our investment in the country, adverse impact to our employees, and impairment of our or our customers' ability to conduct operations.

Further, the broader consequences of geopolitical and terrorism threats, which may include further sanctions that prohibit our ability to do business in specific countries, embargoes, supply chain disruptions, the potential inability to service our remaining performance obligations and potential contractual breaches and litigation, regional instability and geopolitical shifts, and the extent of any such threats effect on our business and results of operations as well as the global economy, cannot be predicted.

Certain geopolitical conflicts, such as between Russia and Ukraine, have had and may continue to have the effect of heightening many other risks disclosed in our public filings, any of which could materially and adversely affect our business and results of operations. Such risks include, but are not limited to, adverse effects on global macroeconomic conditions; increased volatility in the price and demand of oil and natural gas, increased exposure to cyber attacks; limitations in our ability to implement and execute our business strategy; risks to employees and contractors that we have in the region; disruptions in global supply chains; exposure to foreign currency fluctuations; potential nationalizations and assets seizures; constraints or disruption in the capital markets and our sources of liquidity; our potential inability to service our remaining performance obligations and potential contractual breaches and litigation.

Control of oil and natural gas reserves by national oil companies may impact the demand for our services and products and create additional risks in our operations.

Much of the world's oil and natural gas reserves are controlled by national oil companies. National oil companies may require their contractors to meet local content requirements or other local standards, such as conducting our operations through joint ventures with local partners that could be difficult or undesirable for us to meet. The failure to meet the local content requirements and other local standards may adversely impact our operations in those countries. In addition, our ability to work with national oil companies is subject to our ability to negotiate and agree upon acceptable contract terms.

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

The products that we manufacture and the services that we provide are complex, and the failure of our equipment to operate properly or to meet specifications may greatly increase our customers' costs. In addition, many of these products are used in inherently hazardous industries, such as the offshore oilfield business. These hazards include blowouts, explosions, unplanned or uncontrolled releases, nuclear-related events, fires, collisions, capsizings, and severe weather conditions. We may incur substantial liabilities or losses as a result of these hazards. 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, against which we were not fully insured or indemnified 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.

The potential physical or transition risks posed by climate change could adversely affect our operations and those of our customers.

There is increasing concern over risks posed by climate change and related environmental sustainability matters. The physical risks of climate change can include extreme variability in weather patterns such as increased frequency and severity of significant weather events (e.g. flooding, hurricanes and tropical storms), natural hazards (e.g., increased wildfire risk), rising mean temperature and sea levels, and long-term changes in precipitation patterns (e.g. drought, desertification, or poor water quality). Such effects have the potential to affect business continuity and operating results, particularly at facilities in coastal areas or areas prone to chronic water scarcity, and could disrupt our operations or those of our customers or suppliers, including through direct damage to physical assets and indirect impacts from supply chain disruption and market volatility. While we evaluate and incorporate potential ranges of physical risks, it is difficult to predict with certainty the timing, frequency or severity of such events, any of which could have a material adverse effect on our financial condition, results of operations and cash flows. See also "Seasonal and weather conditions, including severe weather associated with climate change, could adversely affect demand for our services and operations."

Additionally, transitioning to a low-carbon economy will likely require extensive policy, legal, technology, and market changes. There is increased focus by governments and our customers, investors and other stakeholders on climate change, sustainability, and energy transition matters. Negative attitudes toward or perceptions of our industry or fossil fuel products and their relationship to the environment have led governments, non-governmental organizations, and companies to implement initiatives to conserve energy and promote the use of alternative energy sources, which may reduce the demand for and production of oil and gas in areas of the world where our customers operate, and thus reduce future demand for our products and services. In addition, initiatives by investors and financial institutions to limit funding to companies in fossil fuel-related industries may adversely affect our liquidity or access to capital.

Seasonal and weather conditions, including severe weather associated with climate change, could adversely affect demand for our services and operations.

Variation from normal weather patterns, such as cooler or warmer summers and winters, can have a significant impact on demand for our services and operations. Adverse weather conditions, such as hurricanes in the Gulf of Mexico, may interrupt or curtail our operations, or our customers' operations, cause supply disruptions and result in a loss of revenue and damage to our equipment and facilities, which may or may not be insured. For example, extreme winter conditions in Canada or the North Sea may interrupt or curtail our operations, or our customers' operations, in those areas and result in a loss of revenue. Repercussions of severe or unseasonable weather conditions, including as a result of climate change, may include evacuation of personnel and curtailment of services; weather-related damage to offshore drilling rigs resulting in suspension of operations; weather-related damage to our facilities and project work sites; inability to deliver materials to job sites in accordance with contract schedules; decreases in demand for oil and natural gas during unseasonably warm winters; and loss of productivity. As a result of the above repercussions or any others, demand for our services and operations may be adversely affected.

The partial or complete loss of GE as a customer or supplier, as well as contracts with our aeroderivative joint venture (the "Aero JV") with GE may adversely affect our business, financial condition, results of operations and cash flows.

We currently have an extensive commercial relationship with GE. Although we have a long-term contractual framework in place with GE, if GE were to discontinue or reduce its business with the Company, fail to perform its obligations under existing contracts or experience significant disruptions, including under the intellectual property related agreements with GE, our business, financial condition, results of operations and cash flows may be adversely affected.

In addition to our contracts and arrangements with GE as a direct customer and supplier, we and GE formed the Aero JV in 2019. The Aero JV is jointly controlled by GE and us, and as a result, realizing the benefits of this joint venture depends on the continued cooperation between the parties. In addition, the business and financial performance of the Aero JV may be adversely affected if GE were to fail to perform its obligations under its contracts with the Aero JV. We in turn use certain products purchased through the Aero JV for the manufacture of various end products, and therefore, failure of the Aero JV to perform for any reason could prevent us from fulfilling our contractual obligations, which may adversely affect our business, financial condition, results of operations and cash flows.

Our business has and may continue to be adversely affected by a public health emergency or outbreak of a contagious disease or virus, such as the COVID-19 pandemic.

In the past, the markets have experienced volatility in oil demand due to the economic impacts of public health emergencies, such as the COVID-19 pandemic. If demand for our products and services decline as a result of a public health emergency, the utilization of our assets and the prices we are able to charge our customers for our products and services could decline. The continued spread of COVID-19 or a similar pandemic could result in further instability in the markets and decreases in commodity prices resulting in further adverse impacts on our financial condition, results of operations and cash flows.

In addition, the outbreak and spread of contagious diseases such as COVID-19 and measures to contain the disease may adversely impact our workforce and operations, operations of our customers, and those of our vendors and suppliers. The extent to which these public health emergencies, including the COVID-19 pandemic, may continue to adversely impact our business depends on future developments, which are highly uncertain and unpredictable, depending on the severity and duration of the emergency and effectiveness of actions taken globally to contain or mitigate its effects. There is considerable uncertainty regarding such containment or mitigation measures and potential future measures which may result in labor disruptions, employee attrition, and could negatively impact our ability to attract and retain qualified employees, all of which could have a material adverse effect on our financial condition, results of operations and cash flows.

CREDIT AND CUSTOMER CONTRACTING RISKS

Providing services on an integrated, turnkey, or fixed price basis could require us to assume additional risks.

We may choose to enter into integrated or turnkey contracts with our customers that require us to provide services and equipment outside of our core business. Providing services on an integrated or turnkey basis may also subject us to additional risks, such as costs associated with unexpected delays or difficulties in drilling operations, project management interface risk, and risks associated with subcontracting and consortium arrangements. These integrated or turnkey contracts may be fixed price contracts that do not allow us to recover for cost over-runs unless they are directly caused by the customer.

We may not be able to satisfy technical requirements, testing requirements or other specifications required under our service contracts and equipment purchase agreements.

Our products are used in deepwater, and other harsh environments, and severe service applications. Our contracts with customers and customer requests for bids typically set forth detailed specifications or technical requirements for our products and services, which may also include extensive testing requirements. In addition, scrutiny of the offshore drilling industry has resulted in more stringent technical specifications for our products and more comprehensive testing requirements for our products to ensure compliance with such specifications. We cannot provide assurance that our products, including products supplied through joint ventures, will be able to satisfy the specifications or that we will be able to perform the full-scale testing necessary to prove that the product specifications are satisfied in future contract bids or under existing contracts, or that the costs of modifications to our products to satisfy the specifications and testing will not adversely affect our results of operations.

We sometimes enter into consortium or similar arrangements for certain projects, which could impose additional costs and obligations on us.

We sometimes enter into consortium or similar arrangements for certain projects. Under such arrangements, each party is responsible for performing a certain scope of work within the total scope of the contracted work, and the obligations expire when all contractual obligations are completed. The failure or inability, financially or otherwise, of any of the parties to perform their obligations could impose additional costs and obligations on us. These factors could result in unanticipated costs to complete the project, liquidated damages or contract disputes.

Our contracts may be terminated early in certain circumstances.

Our contracts with customers generally may be terminated by the customer for convenience, default, or extended force majeure (which could include inability to perform due to COVID-19 or a similar pandemic). Termination for convenience may require the payment of an early termination fee by the customer, but the early termination fee may not fully compensate us for the loss of the contract. Termination by the customer for default or extended force majeure due to events outside of our control generally will not require the customer to pay an early termination fee.

Our financial condition, results of operations and cash flows could be materially adversely affected if our customers terminate some of our contracts, and we are unable to secure new contracts on a timely basis and on substantially similar terms, if payments due under our contracts are suspended for an extended period of time, or if a number of our contracts are renegotiated. Our remaining performance obligation ("RPO") is comprised of unfilled customer orders for products and product services (expected life of contract sales for product services). The actual amount and timing of revenues earned may be substantially different than the reported RPO. The total dollar amount of the Company's RPO as of December 31, 2022 was $27.8 billion.

The credit risks of having a concentrated customer base in the energy industry could result in losses.

Having a concentration of customers in the energy industry may impact our overall exposure to credit risk as our customers may be similarly affected by prolonged changes in economic and industry conditions. Some of our customers may experience extreme financial distress as a result of falling commodity prices and may be forced to seek protection under applicable bankruptcy laws, which may affect our ability to recover any amounts due from such customers. Furthermore, countries that rely heavily upon income from hydrocarbon exports have been and

may in the future be negatively and significantly affected by a drop in oil prices, which could affect our ability to collect from our customers in these countries, particularly national oil companies. Laws in some jurisdictions in which we will operate could make collection difficult or time consuming. We perform ongoing credit evaluations of our customers and do not expect to require collateral in support of our trade receivables. While we maintain reserves for potential credit losses, we cannot assure such reserves will be sufficient to meet write-offs of uncollectible receivables or that our losses from such receivables will be consistent with our expectations. Additionally, in the event of a bankruptcy of any of our customers, we may be treated as an unsecured creditor and may collect substantially less, or none, of the amounts owed to us by such customer.

Our customers' activity levels and spending for our products and services and ability to pay amounts owed us could be impacted by the reduction of their cash flow and the ability of our customers to access equity or credit markets.

Our customers' access to capital is dependent on their ability to access the funds necessary to develop economically attractive projects based upon their expectations of future energy prices, required investments, and resulting returns. Limited access to external sources of funding has caused and may continue to cause customers to reduce their capital spending plans to levels supported by internally generated cash flow. In addition, a reduction of cash flow resulting from declines in commodity prices, a reduction in borrowing bases under reserve-based credit facilities or the lack of available debt or equity financing may impact the ability of our customers to pay amounts owed to us and could cause us to increase our reserve for credit losses.

LEGAL AND REGULATORY RISKS

Compliance with and changes in laws could be costly and could affect operating results. In addition, government disruptions could negatively impact our ability to conduct our business.

We conduct business in more than 120 countries that can be impacted by expected and unexpected changes in the legal and business environments in which we operate. In particular, the shipment of goods, services and technology across international borders subjects us to extensive trade laws and regulations. Our import activities are governed by the unique customs laws and regulations in each of the countries where we operate. Pursuant to their laws and regulations, governments may impose economic sanctions against certain countries, persons and entities that may restrict or prohibit transactions involving such countries, persons and entities, which may limit or prevent our conduct of business in certain jurisdictions.

Compliance-related issues could limit our ability to do business in certain countries and impact our earnings or result in investigations leading to fines, penalties or other remedial measures. Changes that could impact the legal environment include new legislation, new regulations, new policies, investigations, and legal proceedings and new interpretations of existing legal rules and regulations, in particular, changes in export control laws or exchange control laws, additional restrictions on doing business in countries subject to sanctions, and changes in laws in countries where we operate. In addition, changes and uncertainty in the political environments in which our businesses operate can have a material effect on the laws, rules, and regulations that affect our operations. Government disruptions may also delay or halt the granting and renewal of permits, licenses and other items required by us and our customers to conduct our business. The continued success of our global business and operations depends, in part, on our ability to continue to anticipate and effectively manage these and other political, legal and regulatory risks.

Our failure to comply with the Foreign Corrupt Practices Act ("FCPA") and other similar laws could have a negative impact on our ongoing operations.

Our ability to comply with the FCPA, the U.K. Bribery Act, and various other anti-bribery and anti-corruption laws depends on the success of our ongoing compliance program, including our ability to successfully manage our agents, distributors and other business partners, and supervise, train, and retain competent employees. We could be subject to sanctions and civil and criminal prosecution, fines and penalties, as well as legal expenses and reputational harm in the event of a finding of a violation of any of these laws by us or any of our employees.

Anti-money laundering and anti-terrorism financing laws could have adverse consequences for us.

Non-compliance with anti-money laundering, anti-terrorism financing and various other financial laws may subject us to sanctions, civil and criminal prosecution, fines and penalties, as well as legal expenses and potential reputational harm. We cannot be sure our programs and controls are or will remain effective to ensure our compliance with all applicable anti-money laundering and anti-terrorism financing laws and regulations.

Changes in tax laws, tax rates, tariffs, adverse positions taken by taxing authorities, and tax audits could impact operating results.

Changes in tax laws, tax rates, tariffs, changes in interpretation of tax laws, the resolution of tax assessments or audits by various tax authorities, and the ability to fully utilize tax loss carryforwards and tax credits could impact our operating results, including additional valuation allowances for deferred tax assets.

We could be subject to litigation claims arising out of our products and services which could adversely affect our reputation, financial condition, results of operations and cash flows.

The technical complexities of our operations expose us to a wide range of significant health, safety and environmental risks and we are from time to time subject to litigation in the U.S. and in foreign countries, for example claims involving services or equipment such as personal injury or loss of life, product failure (including as a result of a cyber attack) or damage to or destruction of property, employment and labor, customer privacy, or regulatory risks. While we have insurance coverage against operating hazards to the extent deemed prudent by our management and to the extent insurance is available, our insurance may not cover all expenses related to litigation claims arising from our business. Moreover, we may not be able to maintain insurance at levels of risk coverage or policy limits that we deem adequate. We may therefore incur significant expenses defending any such suit or government charge and may be required to pay amounts or otherwise change our operations in ways that could adversely affect our financial condition, results of operations and cash flows.

We may be subject to litigation if another party claims that we have infringed upon, misappropriated or otherwise violated its intellectual property rights.

The tools, techniques, methodologies, programs and components we use to provide our products and services may infringe upon, misappropriate or otherwise violate the intellectual property rights of others or be challenged on that basis. Regardless of the merits, any such claims may result in significant legal and other costs and may distract management from running our core business. Resolving such claims could increase our costs, including through royalty payments to acquire licenses, if available, from third parties and through the development of replacement technologies. If a license to resolve a claim were not available, we might not be able to continue providing a particular service or product, which could adversely affect our financial condition, results of operations and cash flows.

Compliance with, and rulings and litigation in connection with, environmental regulations and the environmental impacts of our operations may adversely affect our business and operating results.

We and our business are subject to extensive domestic and international environmental and safety regulations. In addition to environmental and safety regulatory compliance obligations, we may face liability arising out of the normal course of business, including alleged personal injury, property damage, and human health risks due to exposure of hazardous substances or processes at our current or former facilities. We may be impacted by material changes in environmental and safety regulations or subject to substantial liability for environmental impacts. Compliance with environmental laws and regulations and associated expenditures, including but not limited to our capital expenditures for environmental control equipment, are forecasted and may be inconsistent based on multiple variables. Our compliance cost forecasts may be substantially different from actual results, which may be affected by factors such as: changes in law that impose restrictions on air or other emissions, wastewater management, waste disposal, hydraulic fracturing, or wetland and land use practices; changes in standards of enforcement of existing environmental laws and regulations; a change in our share of any remediation costs or other unexpected, adverse outcomes with respect to sites where we have been named as a potentially responsible party, and may include Superfund sites; the discovery of other sites, or discovery of additional issues at existing sites, where additional expenditures may be required to comply with environmental legal obligations; and the accidental discharge of hazardous materials.

Investor and public perception related to the Company's environment, social, and governance ("ESG") performance as well as current and future ESG reporting requirements may affect our business and our operating results.

Increasing focus on ESG factors has led to enhanced interest in, and review of performance results by investors and other stakeholders, and the potential for litigation and reputational risk. We are committed to transparent and comprehensive reporting of our sustainability performance and report under standards such as the Global Reporting Initiative, the Sustainability Accounting Standards Board ("SASB"), and recommendations issued by the Financial Stability Board's Task Force for Climate-related Financial Disclosures ("TCFD"). Our voluntary disclosures of ESG data are evaluated and rated by various organizations that assess corporate ESG performance. Over the past few years there has also been increased investor demand for ESG investing opportunities, and the ESG ratings are used by some stakeholders to inform their investment and voting decisions. Unfavorable ESG ratings, or our inability to meet the ESG standards set by specific investors, may lead to unfavorable sentiment toward Baker Hughes, which could have a negative impact, among other things, on our stock price and cost of capital.

Regulatory requirements related to ESG or sustainability reporting have been adopted in the EU that apply to financial market participants. In the U.S., such regulations have been issued related to pension investments in California, and for the responsible investment of public funds in Illinois. Additional regulation is pending at the SEC and in other states. We expect regulatory requirements related to ESG matters to continue to expand globally. We may be affected by our ability to meet evolving and expanding emissions reporting requirements and by investor and public perception of our reporting and performance related to voluntary climate standards.

To achieve our stated emission reduction goals, we have implemented internal decarbonization projects and may also need to rely on external factors, such as the greater deployment of carbon reduction and removal technologies and adoption of government policies that we expect would accelerate the adoption of energy transition technologies. There have been policy responses to support the energy transition in the U.S. with the passage of the Inflation Reduction Act. In addition, the 2022 energy disruptions have increased energy prices and raised energy security concerns, which may force many governments to reassess energy transition strategies, extending the timeline to ensure adequate and reasonably priced energy supplies. It is difficult to predict with certainty how these policy, economic, and energy security issues will impact the energy transition. Our failure or perceived failure to pursue or fulfill our reductions and elimination of carbon equivalent emissions commitments within the timelines we announce could have a negative impact on investor sentiment, ratings outcomes for evaluating our approach to ESG matters, our stock price and cost of capital and expose us to government enforcement actions and private litigation, among other material adverse impacts.

International, national, and state governments and agencies continue to evaluate and promulgate legislation and regulations that are focused on reducing greenhouse gas ("GHG") emissions. Compliance with GHG emission regulations applicable to our or our customers' operations may have significant implications that could adversely affect our business and operating results in the fossil-fuel sectors.

In the United States, the U.S. Environmental Protection Agency ("EPA") has taken steps to regulate GHG emissions as air pollutants under the U.S. Clean Air Act ("CAA") of 1970, as amended. The EPA's Greenhouse Gas Reporting Rule requires monitoring and reporting of GHG emissions from, among others, certain mobile and stationary GHG emission sources in the oil and natural gas industry, which in turn may include data from our equipment or operations. In addition, the U.S. government has proposed rules in the past setting GHG emission standards for, or otherwise aimed at reducing GHG emissions from, the oil and natural gas industry. International developments focused on restricting GHG emissions include the United Nations Framework Convention on Climate Change, which includes implementation of the Paris Agreement and the Kyoto Protocol by the signatories; the Glasgow Climate Pact; the European Union Emission Trading System; Article 8 of the European Union Energy Efficiency Directive and the United Kingdom's Streamlined Energy and Carbon Reporting ("SECR"); the EU's proposed carbon border adjustment mechanism ("CBAM"). Caps or fees on carbon emissions, including in the U.S., have been and may continue to be established and the cost of such caps or fees could disproportionately affect the fossil-fuel sectors. The implementation of these agreements and other existing or future regulatory mandates, may adversely affect the demand for our products and services, require us or our customers to reduce GHG emissions or impose taxes on us or our customers, all of which could have a material effect on our results of operations.

Voluntary initiatives to reduce GHG emissions, as well as increased climate change awareness, may result in increased costs for the oil and gas industry to curb greenhouse gas emissions and could have an adverse impact on demand for oil and natural gas.

There are various corporate and non-governmental initiatives that are focused on voluntary reductions of GHG emissions. These developments, and public perception relating to climate change, may shift demand from oil and natural gas towards an investment in relatively lower carbon emitting energy sources and alternative energy solutions. If, for example, new energy sources become more competitive than oil and natural gas globally, it could have a material effect on our results of operations.

Changes in laws or regulations relating to data privacy and security, or any actual or perceived failure by us to comply with such laws or regulations, or contractual or other obligations relating to data privacy or security, may adversely affect our business and operating results.

We may have access to sensitive, confidential, proprietary or personal data or information in certain of our businesses that is or may become subject to various data privacy and security laws, regulations, standards, contractual obligations or customer-imposed controls in the jurisdictions in which we operate. The legal and regulatory environment related to data privacy and security is increasingly rigorous, with new and constantly changing requirements applicable to our business, and enforcement practices are likely to remain uncertain for the foreseeable future. These laws and regulations may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible that they will be interpreted and applied in ways that may adversely affect our business and operating results.

In the U.S., various federal and state regulators, including governmental agencies like the Federal Trade Commission, have adopted, or are considering adopting, laws, regulations and standards concerning personal information, privacy and data security. Internationally, laws, regulations and standards in many jurisdictions apply broadly to the collection, use, retention, security, disclosure, transfer and other processing of personal information or other data. These various and evolving federal, state and international laws, regulations and standards can differ significantly from one another and, given our global footprint, this may significantly complicate our compliance efforts and impose considerable costs, such as costs related to organizational changes and implementing additional protection technologies, which are likely to increase over time. In addition, compliance with applicable requirements may require us to modify our data processing practices and policies, distract management or divert resources from other initiatives and projects, all of which could adversely affect our business and operating results. Any failure or perceived failure by us to comply with any applicable federal, state or international laws, regulations, standards, or contractual or other obligations, relating to data privacy and security could result in damage to our reputation and our relationship with our customers, as well as proceedings or litigation by governmental agencies, customers or individuals, which could subject us to significant fines, sanctions, awards, penalties or judgments, all of which could adversely affect our business and operating results.

TECHNOLOGY RISKS

An inability to obtain, maintain, protect, defend or enforce our intellectual property rights could adversely affect our business.

There can be no assurance that the steps we take to obtain, maintain, protect, defend and enforce our intellectual property rights will be completely adequate. Our intellectual property rights may fail to provide us with significant competitive advantages, particularly in foreign jurisdictions where we have not invested in an intellectual property portfolio or that do not have, or do not enforce, strong intellectual property rights. The weakening of protection of our trademarks, patents, trade secrets and other intellectual property rights could also adversely affect our business.

We are a party to a number of licenses that give us rights to intellectual property that is necessary or useful to our business. Our success depends in part on the ability of our licensors to obtain, maintain, protect, defend and sufficiently enforce the licensed intellectual property rights we have commercialized. Without protection for the intellectual property rights we own or license, other companies might be able to offer substantially identical products for sale, which could adversely affect our competitive business position and harm our business products. Also, there can be no assurances that we will be able to obtain or renew from third parties the licenses to use intellectual property rights we need in the future, and there is no assurance that such licenses can be obtained on reasonable

terms. We would be adversely affected in the event that any such license agreement was terminated without the right for us to continue using the licensed intellectual property.

Increased cybersecurity vulnerabilities and threats, and more sophisticated and targeted cyber attacks and other security incidents, pose risks to our systems, data and business, and our relationships with customers and other third parties.

In the course of conducting our business, we may hold or have access to sensitive, confidential, proprietary or personal data or information belonging to us, our employees or third parties, including customers, partners or suppliers. Increased cybersecurity vulnerabilities and threats, and more sophisticated and targeted cyber attacks and other security incidents, pose risks to our and our customers', partners', suppliers' and third-party service providers' systems, data, and business, and the confidentiality, availability and integrity of our and our employees' and customers' data. We utilize various procedures and controls to monitor and mitigate our exposure including the engagement of third party security experts for risk assessments and program enhancements, including ransomware vulnerability assessments, cybersecurity tabletop exercises, and internal phishing awareness campaigns. While we attempt to mitigate these risks, we remain vulnerable to cyber attacks and other security incidents, including ransomware incidents. Given our global footprint, the large number of customers, partners, suppliers and service providers with which we do business, and the increasing sophistication and complexity of cyber attacks, a cyber attack could occur and persist for an extended period without detection. Any investigation of a cyber attack or other security incident would be inherently unpredictable and it would take time before the completion of any investigation and before there is availability of full and reliable information. During such time we would not necessarily know the extent of the harm or how best to remediate it, and certain errors or actions could be repeated or compounded before they are discovered and remediated, all or any of which would further increase the costs and consequences of a cyber attack or other security incident. We may be required to expend significant resources to protect against, respond to, and recover from any cyber attacks and other security incidents. As cyber attacks continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. In addition, our remediation efforts may not be successful. The inability to implement, maintain and upgrade adequate safeguards could materially and adversely affect our financial condition, results of operations and cash flows.

In addition to our own systems, we use third-party service providers, who in turn may also use third-party providers, to process certain data or information on our behalf. Due to applicable laws and regulations or contractual obligations, we may be held responsible for cybersecurity incidents attributed to our service providers to the extent affecting information we share with them. Although we contractually require these service providers to implement and maintain reasonable security measures, we cannot control third parties and cannot guarantee that a security breach will not occur in their systems.

Despite our and our service providers' efforts to protect our data and information, we and our service providers have been and may in the future be vulnerable to security breaches, ransomware attacks, theft, misplaced or lost data, programming errors, phishing attacks, denial of service attacks, acts of vandalism, computer viruses, malware, employee errors and/or malfeasance or similar events, including those perpetrated by criminals or nation-state actors, that could potentially lead to the compromise, unauthorized access, use, disclosure, modification or destruction of data or information, improper use of our systems, defective products, loss of access to our data, production downtimes and operational disruptions. In addition, a cyber attack or any other significant compromise or breach of our data security, media reports about such an incident, whether accurate or not, or, under certain circumstances, our failure to make adequate or timely disclosures to the public, law enforcement agencies or affected individuals following any such event, whether due to delayed discovery or a failure to follow existing protocols, could adversely impact our operating results and result in other negative consequences, including damage to our reputation or competitiveness, harm to our relationships with customers, partners, suppliers and other third parties, distraction to our management, remediation or increased protection costs, significant litigation or regulatory action, fines and penalties. Given the increased prevalence of customer-imposed cybersecurity controls and other related contractual obligations towards customers or other third parties, a cyber attack or other security incident also could result in breach of contract or indemnity claims against us by customers or other counterparties.

While we currently maintain cybersecurity insurance, such insurance may not be sufficient in type or amount to cover us against claims related to cybersecurity breaches or attacks, failures or other data security-related incidents, and we cannot be certain that cyber insurance will continue to be available to us on economically reasonable terms, or at all, or that an insurer will not deny coverage as to any future claim. The successful

assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could materially and adversely affect our financial condition, results of operations and cash flows.

INDUSTRY AND MARKET RISKS

Volatility of oil and natural gas prices can adversely affect demand for our products and services.

Prices of oil and gas products are set on a commodity basis. As a result, the volatility in oil and natural gas prices can impact our customers' activity levels and spending for our products and services. Current energy prices are important contributors to cash flow for our customers and their ability to fund exploration and development activities. Expectations about future prices and price volatility are important for determining future spending levels.

Demand for our products and services is subject to factors beyond our control and depends substantially on expenditures by our customers. Changes in the global economy could impact our customers' spending levels and our financial condition, results of operations and cash flows.

Demand for our services and products is highly correlated with global economic growth and substantially dependent on the levels of expenditures by our customers. Across our products and services, customer demand may be reduced due to global economic factors beyond our control, including but not limited to inflation, rising interest rates, fluctuations in foreign exchange rates, and declining availability of credit. Specifically, for example, past oil and natural gas industry downturns have resulted in reduced demand for oilfield products and services and lower expenditures by our customers, which in the past has resulted, and may in the future result, in a prolonged reduction in oil and natural gas prices that may require us to record asset impairments, and we could experience decreased revenue, decreased profitability and reduction in cash flows. Such potential impairment charges and adverse operating metrics could have a material adverse effect on our financial condition, results of operations and cash flows.

Supply of oil and natural gas is subject to factors beyond our control, which may adversely affect our operating results.

Productive capacity for oil and natural gas is dependent on our customers' decisions to develop and produce oil and natural gas reserves and on the regulatory environment in which our customers and we operate. The ability to produce oil and natural gas can be affected by the number and productivity of new wells drilled and completed, as well as the rate of production and resulting depletion of existing wells.

Currency fluctuations or devaluations may impact our operating results.

Fluctuations or devaluations in foreign currencies relative to the U.S. dollar can impact our revenue and our costs of doing business and create volatility, as well as the costs of doing business of our customers.

Changes in economic and/or market conditions may impact our ability to borrow and/or cost of borrowing.

The condition of the capital markets and equity markets in general may affect the price of our common stock and our ability to obtain financing, if necessary. If our credit rating is downgraded, it could increase borrowing costs under credit facilities and commercial paper programs, as well as increase the cost of renewing or obtaining, or make it more difficult to renew, obtain, or issue new debt financing.

RISKS RELATED TO OUR STOCK

The market price and trading volume of our Class A common stock may be volatile, which could result in rapid and substantial losses for our shareholders.

The market price of our Class A common stock may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume in our Class A common stock may fluctuate and cause significant price variations to occur. If the market price of our Class A common stock declines significantly, our shareholders may be unable to sell their shares of our Class A common stock at or above their purchase price, if at all. We cannot assure our shareholders that the market price of our Class A common stock will not fluctuate or decline significantly in the

future. Some of the factors that could negatively affect the price of our Class A common stock or result in fluctuations in the price or trading volume of our Class A common stock include: variations in our quarterly operating results; failure to meet our earnings estimates; publication of research reports about us or our industry; additions or departures of our executive officers and other key management personnel; adverse market reaction to any indebtedness we may incur or securities we may issue in the future; actions by shareholders; changes in market valuations of similar companies; speculation in the press or investment community; changes or proposed changes in laws or regulations or differing interpretations thereof affecting our business or enforcement of these laws and regulations, or announcements relating to these matters; adverse publicity about our industry generally or individual scandals, specifically; and general market and economic conditions.

Anti-takeover provisions in our organizational documents and Delaware law might discourage or delay acquisition attempts for us that might be considered favorable.

Our amended and restated certificate of incorporation and amended and restated bylaws may delay or prevent a merger or acquisition that a shareholder may consider favorable by permitting our Board of Directors to issue one or more series of preferred stock, requiring advance notice for shareholder proposals and nominations, and placing limitations on convening shareholder meetings. These provisions may also discourage acquisition proposals, delay, or prevent a change in control, which could harm our stock price.

Our second amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our shareholders, which could limit our shareholders' ability to obtain a favorable judicial forum for disputes with us.

Pursuant to our second amended and restated certificate of incorporation, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or (4) any action asserting a claim governed by the internal affairs doctrine. Our second amended and restated certificate of incorporation further provides that any person or entity purchasing or otherwise acquiring any interest in shares of our common stock is deemed to have notice of and consented to the foregoing provision. The forum selection clause in our second amended and restated certificate of incorporation may limit our shareholders' ability to obtain a favorable judicial forum for disputes with us.

This exclusive forum provision applies to certain state law claims and will not apply to claims under the Securities Act or the Exchange Act. In addition, our shareholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers and employees.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

We own or lease numerous properties throughout the world. We consider our manufacturing plants, equipment assembly, maintenance and overhaul facilities, grinding plants, drilling fluids and chemical processing centers, and primary research and technology centers to be our principal properties. The following sets forth the location of our principal owned or leased facilities for our business segments as of December 31, 2022:

Oilfield Services & Equipment:	Houston, Pasadena, and The Woodlands, Texas; Broken Arrow and Claremore, Oklahoma - all located in the United States; Leduc, Canada; Celle, Germany; Tananger, Norway; Aberdeen and Montrose, Scotland; Nailsea and Newcastle, England; Macae and Niteroi, Brazil; Singapore, Singapore; Suzhou, China; Kakinada, India; Abu Dhabi and Dubai, United Arab Emirates; Dammam and Dhahran, Saudi Arabia; Luanda, Angola; Port Harcourt, Nigeria
Industrial & Energy Technology:	Deer Park, Texas; Jacksonville, Florida; Billerica, Massachusetts; Minden, Nevada; Longmont, Colorado; Twinsburg, Ohio - all located in the United States; Florence, Massa, Bari, and Talamona, Italy; Le Creusot, France; Leicester and Cramlington, England; Shannon, Ireland; Hurth and Wunstorf, Germany; Shanghai, China; Coimbatore, India

We own or lease numerous other facilities such as service centers, blend plants, workshops and sales and administrative offices throughout the geographic regions in which we operate. We also have a significant investment in service vehicles, tools and manufacturing and other equipment. All of our owned properties are unencumbered. We believe that our facilities are well maintained and suitable for their intended purposes.

ITEM 3. LEGAL PROCEEDINGS

The information with respect to Item 3. Legal Proceedings is contained in "Note 19. Commitments and Contingencies" of the Notes to Consolidated Financial Statements in Item 8 herein.

ITEM 4. MINE SAFETY DISCLOSURES

Our barite mining operations, in support of our OFSE segment, are subject to regulation by the Federal Mine Safety and Health Administration under the Federal Mine Safety and Health Act of 1977. Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this annual report.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our Class A common stock, $0.0001 par value per share, is traded on the Nasdaq Global Select Market under the ticker symbol 'BKR'. As of February 6, 2023, there were approximately 5,946 stockholders of record.

The following table contains information about our purchases of Class A common stock equity securities during the fourth quarter of 2022.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased [1]	Average Price Paid Per Share [2]	Total Number of Shares Purchased as Part of a Publicly Announced Plan or Programs [3] [4]	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plan or Programs [3] [4]
October 1-31, 2022	2,509,610	$ 23.61	2,500,857	$ 2,781,143,726
November 1-30, 2022	869,988	30.10	839,605	$ 2,755,776,668
December 1-31, 2022	10,330	28.42	—	$ 2,755,776,668
Total	3,389,928	$ 25.29	3,340,462	

[1] Represents Class A common stock purchased from employees to satisfy the tax withholding obligations in connection with the vesting of restricted stock units and shares purchased in the open market under our publicly announced program.

[2] Average price paid for Class A common stock purchased from employees to satisfy the tax withholding obligations in connection with the vesting of restricted stock units and shares purchased in the open market under our publicly announced purchase program.

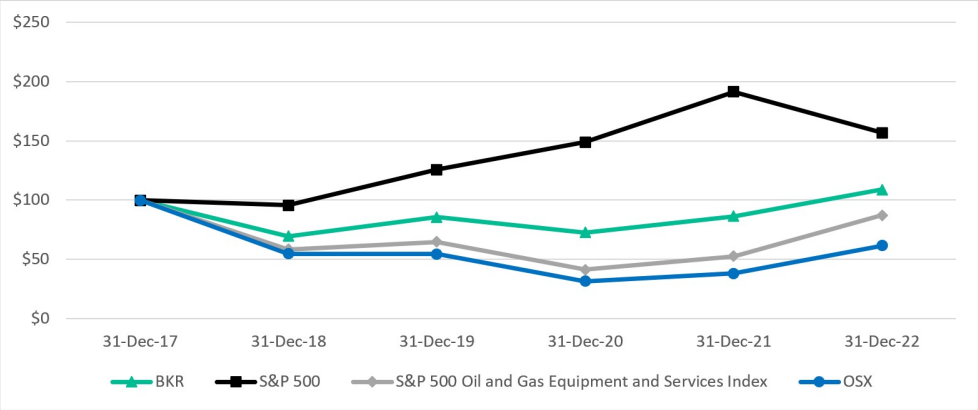
[3] In October 2022, our Board of Directors authorized an increase to our repurchase program of $2 billion of additional Class A common stock, increasing its existing repurchase authorization of $2 billion to $4 billion. During 2022, we entered into purchase plans that complied with Rule 10b5-1 of the Exchange Act (the "10b5-1 Plans"). Under the 10b5-1 Plans, the agents repurchased a number of our Class A common stock determined under the terms of the 10b5-1 Plans each trading day based on the trading price of the stock on that day.

[4] During the three months ended December 31, 2022, we repurchased and subsequently canceled 3.3 million shares of Class A common stock at an average price of $25.27 per share for a total of $84 million.

Corporate Performance Graph

The following graph compares the yearly change in our cumulative total shareholder return on our common stock (assuming reinvestment of dividends into common stock at the date of payment) with the cumulative total return on the published Standard & Poor's ("S&P") 500 Stock Index, the cumulative total return on the S&P 500 Oil and Gas Equipment and Services Index, and the Philadelphia Oil Service Index ("OSX") over the preceding five year period. In 2022, the Company elected to include the OSX index. Although, the Company is not a component of the OSX, this index was added because it represents a large group of companies with similar industry exposure, many of which provide the same or similar equipment and services as the Company.

Comparison of Five-Year Cumulative Total Return
BKR, S&P 500 Stock Index, S&P 500 Oil and Gas Equipment and Services Index, and OSX



	2017	2018	2019	2020	2021	2022
Baker Hughes Company ("BKR")	$ 100.00	$ 69.58	$ 85.55	$ 72.61	$ 86.38	$ 108.75
S&P 500 Stock Index	100.00	95.61	125.70	148.81	191.48	156.77
S&P 500 Oil and Gas Equipment and Services Index	100.00	58.53	64.70	41.26	52.64	87.20
Philadelphia Oil Service Index ("OSX")	100.00	54.78	54.48	31.56	38.10	61.53

The comparison of total return on investment (change in year-end stock price plus reinvested dividends) assumes that $100 was invested on December 31, 2017 in Baker Hughes common stock, the S&P 500 Index, the S&P 500 Oil and Gas Equipment and Services Index, and the OSX.

The corporate performance graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act or the Exchange Act, except to the extent that Baker Hughes specifically incorporates it by reference into such filing.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the consolidated financial statements included in Item 8. Financial Statements and Supplementary Data contained herein.

We are an energy technology company with a broad and diversified portfolio of technologies and services that span the energy and industrial value chain. We operate through our two business segments: Oilfield Services & Equipment ("OFSE") and Industrial & Energy Technology ("IET"). We sell products and services primarily in the global oil and gas markets, within the upstream, midstream, and downstream segments.

EXECUTIVE SUMMARY

Baker Hughes was successful in 2022, with key commercial successes and solid margin improvements in OFSE. Commercially in IET, orders performance in LNG and new energy hit new highs and are poised to remain strong into 2023. In 2022, we had a record year for LNG equipment orders, and achieved significant growth in new energy orders compared to 2021. Within OFSE, Subsea & Surface Pressure Systems also achieved a strong orders year compared to 2021.

Operationally, our performance for 2022 was mixed. During the year, we experienced several operational challenges across our organization most notably cost inflation, supply chain delays, impact of foreign exchange, and the suspension of our activities in Russia. Our performance improved over the second half of 2022 as supply chain challenges moderated, we saw increased activity primarily in OFSE, and we were able to achieve price improvements that collectively more than offset these operational challenges.

In 2022, we generated revenue of $21.2 billion, compared to $20.5 billion in 2021. The increase in revenue was primarily driven by higher volume in OFSE. Operating income in 2022 was $1,185 million compared to $1,310 million in 2021. The decrease in operating income was driven by higher restructuring, impairment and other charges, partially offset by higher segment operating income in OFSE. Income before income taxes was $22 million in 2022, and included other non-operating losses of $911 million and net interest expense of $252 million. Included in our other non-operating loss was a $451 million loss from the sale of part of the OFSE Russia business, and $265 million of unrealized net losses from marking our investments in ADNOC Drilling and C3 AI to fair value.

In the third quarter of 2022, we announced a reorganization of the Company to create two operating segments, OFSE and IET. This has kicked off a major transformation effort across the organization, including key management changes, which will fundamentally improve the way the Company operates. This reorganization is designed to simplify and streamline our organizational structure, and create better flexibility and economies of scale across the two operating segments. For OFSE, one area of focus will be right sizing OFSE through facility rationalization, removing management layers, and integrating multiple functions and capabilities. For IET, we expect commercial and technological benefits from closer integration as well as the benefit of cost out programs. We expect these changes to improve the long-term optionality and growth opportunities for Baker Hughes as our markets and customers continue to evolve.

Baker Hughes remains committed to a flexible capital allocation policy that balances returning cash to shareholders and investing in growth opportunities. We increased our quarterly dividend in the fourth quarter of 2022 by one cent to $0.19 per share. For the full year of 2022, we returned a total of $1.6 billion to shareholders in the form of dividends and share repurchases. We continue to invest in the Baker Hughes portfolio through strategic acquisitions and early-stage new energy investments. In 2022, we made several strategic acquisitions that will complement our current portfolio. Such acquisitions include the Power Generation division of BRUSH Group (“BRUSH”). BRUSH is an established equipment manufacturer that specializes in electric power generation and management for the industrial and energy sectors, which will complement the IET existing portfolio. Other transactions include the acquisitions of Quest Integrity, which will enhance our inspection capabilities, and AccessESP, which broadens our electrical submersible pump ("ESP") technology portfolio. New energy investments include Mosaic Materials and NET Power. In 2022, we entered into an agreement to acquire Altus Intervention, a leading international provider of well intervention services and downhole technology, which will enhance OFSE's existing portfolio. The Altus transaction is expected to close in the first half of 2023. We also

reached an agreement with GE for the sale of our Nexus Controls business. GE will continue to provide Baker Hughes with GE's MarkTM controls products currently in the Nexus Controls portfolio, and we will be the exclusive supplier and service provider of such GE products for our oil and gas customers' control needs. The transaction is expected to close in mid-2023.

The invasion of Ukraine by Russia and the sanctions imposed in response to this crisis have increased the level of economic and political uncertainty. As we announced in March 2022, we suspended any new investments for our Russia operations. Over the course of 2022, changes to sanctions continued to make ongoing operations increasingly complex and significantly more challenging. As a result, we took actions to suspend substantially all of our operational activities related to Russia across the Company including suspending work on equipment and service contracts in Russia, and we completed the sale of part of our OFSE Russia business to local management in the fourth quarter of 2022. Russia represented approximately 2%, 5%, and 5% of our total revenue in 2022, 2021, and 2020, respectively.

As we look ahead to 2023, the global economy is expected to experience some challenges under the weight of inflationary pressures and tightening monetary conditions. Despite recessionary pressures in some of the world's largest economies, we maintain a positive outlook for the energy sector. With years of under investment now being amplified by recent geopolitical factors, global spare capacity for oil and gas has deteriorated and will likely require years of investment growth to meet forecasted future demand. For this reason, we continue to believe that we are in the early stages of a multi-year upturn in global activity and are poised to see a second consecutive year of strong growth in global upstream spending in 2023.

We remain positive on the near term and long term prospects for the natural gas and LNG investment cycle. Near term, we believe that the likely reopening of China, combined with Europe's need to refill gas storage supplies, will play a critical role in keeping global gas and LNG markets tight. Longer term, we remain optimistic on the structural growth outlook for natural gas and LNG as the world looks to lower emissions and displace the consumption of coal. In addition to the strong growth in traditional oil and gas spending, we also believe that the Inflation Reduction Act in the U.S. and potential new legislation in Europe will support significant growth opportunities in new energy in 2023 and beyond.

OUTLOOK

Our business is exposed to a number of macro factors, which influence our outlook and expectations given the current volatile conditions in the industry. All of our outlook expectations are purely based on the market as we see it today, and are subject to changing conditions in the industry.

- OFSE North America activity: We expect North American spending to continue to improve in 2023, as compared to 2022, should commodity prices remain at current levels.
- OFSE International activity: We expect spending outside of North America to experience strong growth in 2023, as compared to 2022, should commodity prices remain at current levels.
- IET LNG projects: We remain optimistic on the LNG market long-term and view natural gas as a transition and destination fuel. We continue to view the long-term economics of the LNG industry as positive.

We have other businesses in our portfolio that are more correlated with various industrial metrics, including global GDP growth. We also have businesses within our portfolio that are exposed to new energy solutions, specifically focused around reducing carbon emissions of energy and broader industry, including hydrogen, geothermal, carbon capture, utilization and storage, and energy storage. We expect to see continued growth in these businesses as new energy solutions become a more prevalent part of the broader energy mix.

Overall, we believe our portfolio is well positioned to compete across the energy value chain and deliver comprehensive solutions for our customers. We remain optimistic about the long-term economics of the oil and gas industry, but we are continuing to operate with flexibility. Over time, we believe the world's demand for energy will continue to rise, and that hydrocarbons will play a major role in meeting the world's energy needs for the foreseeable future. As such, we remain focused on delivering innovative, low-emission, and cost-effective solutions that deliver step changes in operating and economic performance for our customers.

BUSINESS ENVIRONMENT

The following discussion and analysis summarizes the significant factors affecting our results of operations, financial condition and liquidity position as of and for the years ended December 31, 2022, 2021, and 2020, and should be read in conjunction with the consolidated financial statements and related notes of the Company.

Our revenue is predominately generated from the sale of products and services to major, national, and independent oil and natural gas companies worldwide, and is dependent on spending by our customers for oil and natural gas exploration, field development and production. This spending is driven by a number of factors, including our customers' forecasts of future energy demand and supply, their access to resources to develop and produce oil and natural gas, their ability to fund their capital programs, the impact of new government regulations and most importantly, their expectations for oil and natural gas prices as a key driver of their cash flows.

Oil and Natural Gas Prices

Oil and natural gas prices are summarized in the table below as averages of the daily closing prices during each of the periods indicated.

	2022	2021	2020
Brent oil prices ($/Bbl) [1]	$ 100.93	$ 70.86	$ 41.96
WTI oil prices ($/Bbl) [2]	94.90	68.14	39.16
Natural gas prices ($/mmBtu) [3]	6.45	3.89	2.03

[1] Energy Information Administration ("EIA") Europe Brent Spot Price per Barrel

[2] EIA Cushing, OK WTI ("West Texas Intermediate") spot price

[3] EIA Henry Hub Natural Gas Spot Price per million British Thermal Unit

Oil and natural gas prices increased during 2022 largely driven by supply constraints which has also been amplified as a result of recent geopolitical events.

Outside North America, customer spending is most heavily influenced by Brent oil prices. The average Brent oil prices increased to $100.93/Bbl in 2022 from $70.86/Bbl in 2021 and ranged from a low of $76.02/Bbl in December 2022, to a high of $133.18/Bbl in March 2022. The average Brent oil prices increased to $70.86/Bbl in 2021 from $41.96/Bbl in 2020 and ranged from a low of $50.37/Bbl in January 2021, to a high of $85.76/Bbl in October 2021.

In North America, customer spending is highly driven by WTI oil prices, which similarly to Brent oil prices, on average increased to $94.90/Bbl in 2022 from $68.14/Bbl in 2021, and ranged from a low of $71.05/Bbl in December 2022, to a high of $123.64/Bbl in March 2022. WTI oil prices on average increased to $68.14/Bbl in 2021 from $39.16/Bbl in 2020, and ranged from a low of $47.47/Bbl in January 2021, to a high of $85.64/Bbl in October 2021.

In North America, natural gas prices, as measured by the Henry Hub Natural Gas Spot Price, averaged $6.45/mmBtu in 2022, representing a 66% increase over the prior year. Throughout the year, Henry Hub Natural Gas Spot Prices ranged from a high of $9.85/mmBtu in August 2022, to a low of $3.46/mmBtu in November 2022. According to the U.S. Department of Energy, working natural gas in storage at the end of 2022 was 2,891 billion cubic feet ("Bcf"), which was 9.5%, or 304 Bcf, below the corresponding week in 2021. Henry Hub Natural Gas Spot Price averaged $3.89/mmBtu in 2021, representing a 92% increase over the prior year. Throughout the year, Henry Hub Natural Gas Spot Prices ranged from a high of $23.86/mmBtu in February 2021, to a low of $2.43/mmBtu in April 2021. According to the U.S. Department of Energy, working natural gas in storage at the end of 2021 was 3,226 billion cubic feet ("Bcf"), which was 6.8%, or 234 Bcf, below the corresponding week in 2020.

Baker Hughes Rig Count

The Baker Hughes rig counts are an important business barometer for the drilling industry and its suppliers. When drilling rigs are active they consume products and services produced by the oil service industry. Rig count trends are driven by the exploration and development spending by oil and natural gas companies, which in turn is influenced by current and future price expectations for oil and natural gas. The counts may reflect the relative strength and stability of energy prices and overall market activity, however, these counts should not be solely relied on as other specific and pervasive conditions may exist that affect overall energy prices and market activity.

We have been providing rig counts to the public since 1944. We gather all relevant data through our field service personnel, who obtain the necessary data from routine visits to the various rigs, customers, contractors and other outside sources as necessary. We base the classification of a well as either oil or natural gas primarily upon filings made by operators in the relevant jurisdiction. This data is then compiled and distributed to various wire services and trade associations and is published on our website. We believe the counting process and resulting data is reliable, however, it is subject to our ability to obtain accurate and timely information. Rig counts are compiled weekly for the U.S. and Canada and monthly for all international rigs. Published international rig counts do not include rigs drilling in certain locations, such as onshore China because this information is not readily available.

Rigs in the U.S. and Canada are counted as active if, on the day the count is taken, the well being drilled has been started, but drilling has not been completed and the well is anticipated to be of sufficient depth to be a potential consumer of our drill bits. In international areas, rigs are counted on a weekly basis and deemed active if drilling activities occurred during the majority of the week. The weekly results are then averaged for the month and published accordingly. The rig count does not include rigs that are in transit from one location to another, rigging up, being used in non-drilling activities including production testing, completion and workover, and are not expected to be significant consumers of drill bits.

The rig counts are summarized in the table below as averages for each of the periods indicated.

	2022	2021	2020
North America	898	610	522
International	851	756	827
Worldwide	1,749	1,366	1,349

2022 Compared to 2021

Overall the rig count was 1,749 in 2022, an increase of 28% as compared to 2021 due to an increase in activity in North America and internationally. The rig count in North America increased 47% and the international rig count increased 13% in 2022 compared to 2021.

Within North America, the increase was primarily driven by the U.S. rig count, which was up 51% on average when compared to the same period last year, and an increase in the Canada rig count, which was up 32% on average. Internationally, the increase in the rig count was driven by increases in the Latin America region, Africa region, Middle East region, and Asia-Pacific region of 22%, 19%, 16%, and 8%, respectively.

2021 Compared to 2020

Overall the rig count was 1,366 in 2021, an increase of 1% as compared to 2020 due primarily to an increase in activity in North America partially offset by declines internationally. The rig count in North America increased 17% and the international rig count decreased 9% in 2021 compared to 2020.

Within North America, the increase was primarily driven by the Canadian rig count, which was up 48% on average when compared to the same period last year, and an increase in the U.S. rig count, which was up 10% on average. Internationally, the decrease in the rig count was driven primarily by decreases in the Middle East region, Africa region, and Europe region of 21%, 10%, and 10%, respectively.

RESULTS OF OPERATIONS

The discussions below relating to significant line items from our consolidated statements of income (loss) are based on available information and represent our analysis of significant changes or events that impact the comparability of reported amounts. Where appropriate, we have identified specific events and changes that affect comparability or trends and, where reasonably practicable, have quantified the impact of such items. In addition, the discussions below for revenue and cost of revenue are on a total basis as the business drivers for product sales and services are similar. All dollar amounts in tabulations in this section are in millions of dollars, unless otherwise stated. Certain columns and rows may not add due to the use of rounded numbers.

Our results of operations are evaluated by the Chief Executive Officer on a consolidated basis as well as at the segment level. The performance of our operating segments is primarily evaluated based on segment operating income (loss), which is defined as income (loss) before income taxes and before the following: net interest expense, net other non-operating income (loss), corporate expenses, restructuring, impairment and other charges, goodwill and inventory impairments, separation related costs, and certain gains and losses not allocated to the operating segments.

In evaluating the segment performance, the Company uses the following:

Volume: Volume is the increase or decrease in products and/or services sold period-over-period excluding the impact of foreign exchange and price. The volume impact on profit is calculated by multiplying the prior period profit rate by the change in revenue volume between the current and prior period. It also includes price, defined as the change in sales price for a comparable product or service period-over-period and is calculated as the period-over-period change in sales prices of comparable products and services.

Foreign Exchange ("FX"): FX measures the translational foreign exchange impact, or the translation impact of the period-over-period change on sales and costs directly attributable to change in the foreign exchange rate compared to the U.S. dollar. FX impact is calculated by multiplying the functional currency amounts (revenue or profit) with the period-over-period FX rate variance, using the average exchange rate for the respective period.

(Inflation)/Deflation: (Inflation)/deflation is defined as the increase or decrease in direct and indirect costs of the same type for an equal amount of volume. It is calculated as the year-over-year change in cost (i.e. price paid) of direct material, compensation and benefits, and overhead costs.

Productivity: Productivity is measured by the remaining variance in profit, after adjusting for the period-over-period impact of volume and price, foreign exchange and (inflation)/deflation as defined above. Improved or lower period-over-period cost productivity is the result of cost efficiencies or inefficiencies, such as cost decreasing or increasing more than volume, or cost increasing or decreasing less than volume, or changes in sales mix among segments. This also includes the period-over-period variance of transactional foreign exchange, aside from those foreign currency devaluations that are reported separately for business evaluation purposes.

Orders and Remaining Performance Obligations

Our consolidated statements of income (loss) displays sales and costs of sales in accordance with SEC regulations under which “goods” is required to include all sales of tangible products and “services” must include all other sales, including other services activities. For the amounts shown below, we distinguish between “equipment” and “product services,” where product services refers to sales under product services agreements, including sales of both goods (such as spare parts and equipment upgrades) and related services (such as monitoring, maintenance and repairs), which is an important part of our operations. We refer to “product services” simply as “services” within Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Orders: We recognized orders of $26.8 billion, $21.7 billion, and $20.7 billion in 2022, 2021, and 2020, respectively. We recognized OFSE orders of $14.1 billion, $11.8 billion, and $12.3 billion and IET orders of $12.7 billion, $9.9 billion, and $8.4 billion in 2022, 2021 and 2020, respectively. Within IET, Gas Technology Equipment orders were $6.4 billion, $3.9 billion, $3.0 billion, and Gas Technology Services orders were $3.0 billion, $2.9 billion, and $2.6 billion in 2022, 2021 and 2020, respectively.

Remaining Performance Obligations ("RPO"): As of December 31, 2022 and 2021, the aggregate amount of the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations was $27.8 billion and $23.6 billion, respectively. As of December 31, 2022 and 2021, OFSE remaining performance obligations totaled $2.6 billion and $2.0 billion, and IET remaining performance obligations totaled $25.3 billion and $21.5 billion, respectively.

Revenue and Operating Income

Summarized financial information for the Company's segments is shown in the following tables.

	Year Ended December 31,			$ Change	
	2022	2021	2020	From 2021 to 2022	From 2020 to 2021
Revenue:					
Well Construction	$ 3,854	$ 3,301	$ 3,257	$ 553	$ 44
Completions, Intervention & Measurements	3,559	3,106	3,614	453	(508)
Production Solutions	3,587	3,135	3,269	452	(134)
Subsea & Surface Pressure Systems	2,230	2,486	2,844	(256)	(358)
Oilfield Services & Equipment	**13,229**	**12,028**	**12,984**	**1,201**	**(956)**
Gas Technology - Equipment	2,560	2,916	2,421	(356)	495
Gas Technology - Services	2,441	2,700	2,475	(259)	225
Total Gas Technology	5,002	5,616	4,896	(614)	720
Condition Monitoring	545	562	581	(17)	(19)
Inspection	995	949	865	46	84
Pumps, Valves & Gears	826	801	809	25	(8)
PSI & Controls	559	546	570	13	(23)
Total Industrial Technology	2,925	2,857	2,824	68	34
Industrial & Energy Technology	**7,926**	**8,473**	**7,721**	**(547)**	**754**
Total	**$ 21,156**	**$ 20,502**	**$ 20,705**	**$ 654**	**$ (203)**

The following table presents Oilfield Services & Equipment revenue by geographic region:

	Year Ended December 31,			$ Change	
	2022	2021	2020	From 2021 to 2022	From 2020 to 2021
North America	$ 3,764	$ 2,904	$ 3,107	$ 860	$ (203)
Latin America	2,099	1,681	1,447	418	234
Europe/CIS/Sub-Saharan Africa	2,483	2,865	2,846	(382)	19
Middle East/Asia	4,883	4,579	5,584	304	(1,005)
Oilfield Services & Equipment	**$ 13,229**	**$ 12,028**	**$ 12,984**	**$ 1,201**	**$ (956)**
North America	$ 3,764	$ 2,904	$ 3,107	$ 860	$ (203)
International	9,465	9,124	9,877	341	(753)

The following table presents segment operating income through to net loss for the Company.

	Year Ended December 31,			$ Change	
	2022	2021	2020	From 2021 to 2022	From 2020 to 2021
Segment operating income:					
Oilfield Services & Equipment	$ 1,201	$ 830	$ 506	$ 371	$ 324
Industrial & Energy Technology	1,135	1,177	998	(42)	178
Total segment operating income	2,336	2,006	1,504	330	502
Corporate	(416)	(429)	(464)	13	35
Inventory impairment [(1)]	(31)	—	(246)	(31)	246
Goodwill impairment	—	—	(14,773)	—	14,773
Restructuring, impairment and other	(682)	(209)	(1,866)	(473)	1,657
Separation related	(23)	(60)	(134)	37	74
Operating income (loss)	1,185	1,310	(15,978)	(125)	17,289
Other non-operating income (loss), net	(911)	(583)	1,040	(328)	(1,623)
Interest expense, net	(252)	(299)	(264)	47	(35)
Income (loss) before income taxes	22	428	(15,202)	(406)	15,630
Provision for income taxes	(600)	(758)	(559)	158	(199)
Net loss	$ (578)	$ (330)	$ (15,761)	$ (248)	$ 15,431

(1) Inventory impairments are reported in "Cost of goods sold" of the consolidated statements of income (loss).

Fiscal Year 2022 to Fiscal Year 2021

Revenue in 2022 was $21,156 million, an increase of $654 million, or 3%, from 2021. This increase in revenue was largely a result of increased activity in OFSE, partially offset by a decline in IET. OFSE increased $1,201 million and IET decreased $547 million.

Total segment operating income in 2022 was $2,336 million, an increase of $330 million, or 16%, from 2021. The increase was primarily driven by OFSE, which increased $371 million, partially offset by IET which decreased $42 million.

Oilfield Services & Equipment

OFSE 2022 revenue was $13,229 million, an increase of $1,201 million, or 10%, from 2021, primarily as a result of increased activity in North America and internationally, as evidenced by an increase in the global rig count. North America revenue was $3,764 million in 2022, an increase of $860 million from 2021. International revenue was $9,465 million in 2022, an increase of $341 million from 2021, primarily driven by growth in Latin America and the Middle East, partially offset by declines in the Russia Caspian and Europe regions. The year-over-year revenue was reduced by the removal of the subsea drilling systems ("SDS") business from the consolidated OFSE operations in the fourth quarter of 2021 due to the formation of a joint venture.

OFSE 2022 segment operating income was $1,201 million, compared to $830 million in 2021. The increase was primarily driven by higher volume and price, partially offset by logistics and commodity cost inflation.

Industrial & Energy Technology

IET 2022 revenue was $7,926 million, a decrease of $547 million, or 6%, from 2021. The decrease was primarily driven by lower volume in both Gas Technology Equipment and Gas Technology Services, the impact from foreign currency translation, and supply chain delays in Gas Technology Services, partially offset by higher volume in Industrial Technology.

IET 2022 segment operating income was $1,135 million, compared to $1,177 million in 2021. The decrease in profitability was driven by lower volume, unfavorable foreign currency translation impact, higher research and development costs, and inflationary pressure, partially offset by favorable business mix and higher pricing in certain product lines.

Corporate

In 2022, corporate expenses were $416 million, a decrease of $13 million compared to 2021, primarily driven by cost efficiencies and past restructuring actions.

Inventory Impairment

In 2022, we recorded inventory impairments of $31 million primarily in IET as part of suspending our Russia operations. Inventory impairments are reported in the "Cost of goods sold" caption of the consolidated statements of income (loss). There were no inventory impairments during 2021.

Restructuring, Impairment and Other

In 2022, we recognized $682 million of restructuring, impairment and other charges, primarily related to the suspension of substantially all of our operations in Russia, as well as, costs incurred to facilitate our reorganization into two segments and the implementation of certain projects in our OFSE segment to optimize their global footprint. In addition, we impaired certain long-lived assets in our OFSE segment for the subsea production systems ("SPS") business due to a decrease in the estimated future cash flows driven by a decline in our long-term market outlook for this business. In 2021, we recognized $209 million in restructuring, impairment and other charges. The charges in 2021 primarily related to the initiatives in our OFSE segment that were the continuation of our overall strategy to right-size our structural costs.

Separation Related

We recorded $23 million of separation related costs in 2022, a decrease of $37 million from the prior year. Costs relate to the activities for the separation from GE, primarily related to information technology. Separation activities were substantially completed by the end of 2022.

Other Non-Operating Loss, Net

In 2022, we recorded $911 million of other non-operating loss, an increase of $328 million from the prior year, primarily due to the loss of $451 million from the sale of part of the OFSE business in Russia. We also recorded $265 million of unrealized losses related to marking our investments in C3 AI and ADNOC to fair value. Additionally, in December 2022, the Company, BHH LLC and GE entered into an agreement which resulted in the termination of the Tax Matters Agreement ("TMA"), and as a result, we recorded a charge of $81 million, of which $21 million was a cash payment to GE as a net settlement of claims asserted under the TMA. See "Note 11. Income Taxes" for further information.

Interest Expense, Net

In 2022, we incurred interest expense, net of interest income, of $252 million, a decrease of $47 million from the prior year, driven primarily by higher interest income, and lower interest expense due to $28 million of non-recurring costs in 2021 associated with the refinancing of our senior notes.

Income Taxes

In 2022, our provision for income taxes was $600 million. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to losses with no tax benefit due to valuation allowances, restructuring charges for which a majority has no tax benefit, and earnings in jurisdictions with tax rates higher than the U.S.

In 2021, our provision for income taxes was $758 million. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to losses with no tax benefit due to valuation allowances and changes in unrecognized tax benefits related to uncertain tax positions.

Fiscal Year 2021 to Fiscal Year 2020

Revenue in 2021 was $20,502 million, a decrease of $203 million, or 1%, from 2020. This decrease in revenue was largely a result of decreased activity in OFSE, partially offset by an increase in IET. OFSE decreased $956 million and IET increased $754 million.

Total segment operating income in 2021 was $2,006 million, an increase of $502 million, or 33%, from 2020. The increase was driven by OFSE, which increased $324 million, and IET, which increased $178 million.

Oilfield Services & Equipment

OFSE 2021 revenue was $12,028 million, a decrease of $956 million, or 7%, from 2020, primarily as a result of decreased international activity in 2021 compared to 2020, as evidenced by a decline in the corresponding rig count, and, to a lesser extent, decreased activity in North America, and supply chain constraints that occurred in the second half of 2021. International revenue was $9,124 million in 2021, a decrease of $753 million from 2020, primarily driven by declines in the Middle East, partially offset by growth in Latin America. North America revenue was $2,904 million in 2021, a decrease of $203 million from 2020. The decrease in revenue was also driven by the disposition of the surface pressure control flow business in the fourth quarter of 2020, and the removal of SDS from consolidated OFSE operations in the fourth quarter of 2021 due to the formation of a joint venture.

OFSE 2021 segment operating income was $830 million, compared to $506 million in 2020. The increase was primarily driven by higher cost productivity as a result of cost efficiencies and restructuring actions. Additional drivers were increases in price in certain product lines, partially offset by lower volume.

Industrial & Energy Technology

IET 2021 revenue was $8,473 million, an increase of $754 million, or 10%, from 2020. The increase was primarily driven by higher volume for both Gas Technology Equipment and Gas Technology Services, partially offset by supply chain constraints that impacted product deliveries, mainly in the Industrial Technology product lines.

IET 2021 segment operating income was $1,177 million, compared to $998 million in 2020. The increase in profitability was driven primarily by higher volume, price, and productivity, partially offset by unfavorable business mix.

Corporate

In 2021, corporate expenses were $429 million, a decrease of $35 million compared to 2020, primarily driven by lower expenses as a result of cost out programs and restructuring actions.

Inventory Impairment

There were no inventory impairments during 2021. In 2020, we recorded inventory impairments of $246 million primarily related to our OFSE segment as a result of certain restructuring activities initiated by the Company. Charges for inventory impairments are reported in the "Cost of goods sold" caption of the consolidated statements of income (loss).

Goodwill Impairment

There were no goodwill impairments during 2021. During the first quarter of 2020, the Company's market capitalization declined significantly driven by current macroeconomic and geopolitical conditions including the decrease in demand caused by the COVID-19 pandemic and collapse of oil prices driven by both surplus production and supply. Based on these events, we concluded that a triggering event occurred and we performed an interim quantitative impairment test as of March 31, 2020. Based upon the results of the impairment test, we recognized a

goodwill impairment charge of $14,773 million during the first quarter of 2020. There were no other goodwill impairments during 2020.

Restructuring, Impairment and Other

In 2021, we recognized $209 million in restructuring, impairment and other charges. The charges in 2021 primarily relate to the initiatives in our OFSE segment that are the continuation of our overall strategy to right-size our structural costs. In 2020, we recognized $1,866 million in restructuring, impairment and other charges. These charges primarily related to the restructuring plan announced in the first quarter of 2020, which included product line rationalization actions, headcount reductions in certain geographical locations, and other initiatives to right-size operations for anticipated activity levels and market conditions.

Separation Related

We recorded $60 million of separation related costs in 2021, a decrease of $74 million from the prior year, largely driven by a reduction in the ongoing activities for the separation from GE, primarily related to information technology.

Other Non-Operating Income/(Loss), Net

In 2021, we recorded $583 million of other non-operating loss. Costs in 2021 include an unrealized loss of $1,085 million from marking our investment in C3 AI to fair value, partially offset by an unrealized gain of $241 million from marking our investment in ADNOC Drilling to fair value, by the reversal of $121 million of current accruals due to the settlement of certain legal matters, and by income of $121 million for liabilities previously expected to be recoverable as they were indemnified under the TMA with GE. This income from indemnified liabilities has an offset in the "Provision for income taxes" caption in our consolidated statements of income (loss).

In 2020, we recorded $1,040 million of other non-operating income. Included in this amount was an unrealized gain of $1,417 million related to marking our investment in C3 AI to fair value, partially offset by losses of $353 million for the sale of two product lines in OFSE, the rod lift systems business and the surface pressure control flow business.

Interest Expense, Net

In 2021, we incurred net interest expense of $299 million, an increase of $35 million from the prior year, primarily driven by higher interest expense, mainly related to $28 million of costs associated with the refinancing of our senior notes due December 2022, and lower interest income.

Income Taxes

In 2021, our income tax expense was $758 million, an increase of $199 million, from $559 million in 2020. The increase was primarily due to tax expense related to unrecognized tax benefits and the geographical mix of earnings. Our 2021 income tax expense included $121 million that we previously expected to be recoverable as it related to liabilities indemnified under the TMA with GE. This tax expense has an offset in the "Other non-operating income (loss), net" caption in our consolidated statements of income (loss).

COMPLIANCE

In the conduct of all of our activities, we are committed to maintaining the core values of our Company, as well as high safety, ethical, and quality standards as also reported in our Quality Management System ("QMS"). We believe such a commitment is integral to running a sound, successful, and sustainable business. We devote significant resources to maintain a comprehensive global ethics and compliance program ("Compliance Program") which is designed to prevent, detect, and appropriately respond to any potential violations of the law, the Code of Conduct, and other Company policies and procedures.

Highlights of our Compliance Program include the following:

- Comprehensive internal policies over such areas as anti-bribery; travel, entertainment, gifts and charitable donations to government officials and other parties; payments to commercial sales representatives; and, the use of non-U.S. police or military organizations for security purposes. In addition, there are policies and procedures to address customs requirements, visa processing risks, export and re-export controls, economic sanctions, anti-money laundering and anti-boycott laws.
- Global and independent structure of Chief Compliance Officer and other compliance professionals providing compliance advice, customized training and governance, as well as investigating allegations across all regions and countries where we do business.
- Comprehensive employee compliance training program that combines instructor-led and web-based training modules tailored to the key risks that employees face on an ongoing basis.
- Due diligence and monitoring procedures for third parties who conduct business on our behalf, including channel partners (sales representatives, distributors, resellers), and administrative service providers.
- Due diligence procedures for acquisition activities.
- Specifically tailored compliance risk assessments and audits focused on country and third party risk.
- Compliance Review Board comprised of senior officers of the Company that meets quarterly to monitor effectiveness of the Compliance Program, as well as segment compliance review boards that meet quarterly.
- Technology to monitor and report on compliance matters, including an internal investigations management system, a conflict of interest reporting and management system, a web-based anti-boycott reporting tool, global trade management systems and comprehensive watch list screening.
- Data privacy compliance policies and procedures to ensure compliance with applicable data privacy requirements.
- A compliance program designed to create an “Open Reporting Environment” where employees are encouraged to report any ethics or compliance matter without fear of retaliation, including a global network of trained employee ombudspersons, and a worldwide, 24-hour business helpline operated by a third party and available in approximately 200 languages.
- Centralized finance organization with company-wide policies.
- Anti-corruption audits of high-risk countries, as well as risk-based compliance audits of third parties.
- We have region-specific processes and procedures for management of HR related issues, including pre-hire screening of employees; a process to screen existing employees prior to promotion into select roles where they may be exposed to finance and/or corruption-related risks; and implementation of a global new hire training module which includes compliance training for all employees.

LIQUIDITY AND CAPITAL RESOURCES

Our objective in financing our business is to maintain sufficient liquidity, adequate financial resources, and financial flexibility in order to fund the requirements of our business. We continue to maintain solid financial strength and liquidity. At December 31, 2022, we had cash and cash equivalents of $2.5 billion compared to $3.9 billion at December 31, 2021.

In the U.S. we held cash and cash equivalents of approximately $0.6 billion and $1.6 billion and outside the U.S. of approximately $1.9 billion and $2.2 billion as of December 31, 2022 and 2021, respectively. A substantial portion of the cash held outside the U.S. at December 31, 2022 has been reinvested in active non-U.S. business operations. If we decide at a later date to repatriate those funds to the U.S., we may incur other additional taxes that would not be significant to the total tax provision.

We have a $3 billion committed unsecured revolving credit facility ("the Credit Agreement") with commercial banks maturing in December 2024. The Credit Agreement contains certain customary representations and warranties, certain customary affirmative covenants and certain customary negative covenants. Upon the occurrence of certain events of default, our obligations under the Credit Agreement may be accelerated. Such events of default include payment defaults to lenders under the Credit Agreement and other customary defaults. No such events of default have occurred. In addition, we have a commercial paper program with authorization up to $3 billion under which we may issue from time to time commercial paper with maturities of no more than 397 days. At December 31, 2022 and 2021, there were no borrowings under the Credit Agreement or the commercial paper program.

Certain Senior Notes contain covenants that restrict our ability to take certain actions. See "Note 9. Borrowings" of the Notes to Consolidated Financial Statements in this Annual Report for further details. At December 31, 2022, we were in compliance with all debt covenants. Our next debt maturity is December 2023.

We continuously review our liquidity and capital resources. If market conditions were to change, for instance due to the uncertainty created by geopolitical events, a global pandemic or a significant decline in oil and gas prices, and our revenue was reduced significantly or operating costs were to increase significantly, our cash flows and liquidity could be negatively impacted. Additionally, it could cause the rating agencies to lower our credit ratings. There are no ratings triggers that would accelerate the maturity of any borrowings under our committed credit facility; however, a downgrade in our credit ratings could increase the cost of borrowings under the credit facility and could also limit or preclude our ability to issue commercial paper. Should this occur, we could seek alternative sources of funding, including borrowing under the credit facility.

During the year ended December 31, 2022, we dispersed cash to fund a variety of activities including certain working capital needs, capital expenditures, the payment of dividends, repurchases of our common stock, and distributions to noncontrolling interests.

Cash Flows

Cash flows provided by (used in) each type of activity were as follows for the years ended December 31:

(In millions)	2022	2021	2020
Operating activities	$ 1,888	$ 2,374	$ 1,304
Investing activities	(1,564)	(463)	(618)
Financing activities	(1,592)	(2,143)	225

Operating Activities

Cash flows from operating activities generated cash of $1,888 million, $2,374 million, and $1,304 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Our largest source of operating cash is payments from customers, of which the largest component is collecting cash related to our sales of products and services including advance payments or progress collections for work to be performed. The primary use of operating cash is to pay our suppliers, employees, tax authorities and others for a wide range of goods and services.

In 2022, cash generated from operating activities were primarily driven by net losses adjusted for certain noncash items (including depreciation, amortization, loss on business dispositions, stock based compensation cost, loss on equity securities, and the impairment of certain assets). Working capital, which includes contract and other deferred assets, generated cash of $122 million in 2022 primarily due to strong progress collections on equipment contracts and an increase in accounts payable, partially offset by the increase in receivables and inventory as we build for revenue growth.

In 2021, working capital generated $480 million of cash primarily due to accounts payable, inventories and contract and other deferred assets partially offset by accounts receivable and progress collections, as we continued to make progress on improving our working capital processes. Restructuring and GE separation related payments

were $175 million on a net basis in 2021 and included the proceeds from the disposal of certain facilities, which are reflected below in investing activities.

In 2020, working capital generated $216 million of cash primarily due to receivables and positive progress collections partially offset by accounts payable. Restructuring and GE separation related payments were $670 million in 2020.

Investing Activities

Cash flows from investing activities used cash of $1,564 million, $463 million, and $618 million for the years ended December 31, 2022, 2021, and 2020, respectively.

Our principal recurring investing activity is the funding of capital expenditures to ensure that we have the appropriate levels and types of machinery and equipment in place to generate revenue from operations. Expenditures for capital assets totaled $989 million, $856 million, and $974 million for 2022, 2021, and 2020, respectively, partially offset by cash flows from the sale of property, plant and equipment of $217 million, $315 million, and $187 million in 2022, 2021, and 2020, respectively. Proceeds from the disposal of assets are primarily related to equipment that was lost-in-hole, predominantly in OFSE, and to property, machinery and equipment no longer used in operations that was sold throughout the period.

In 2022, we paid $845 million for both acquisitions and investments in business interests. We completed several acquisitions during 2022 including BRUSH Power Generation, Quest Integrity, AccessESP, and Mosaic Materials. The total cash paid, net of cash acquired, for acquisitions was $767 million, and we used cash on hand to fund these transactions.

In 2021, we contributed our SDS business to create a joint venture and received as consideration 50% of the shares of the joint venture, cash of $70 million, and a promissory note of $80 million. In 2020, we received proceeds of $187 million primarily from the sale of our rod lift systems and our surface pressure control flow businesses.

In 2021, we invested $266 million to add capabilities to our new energy and industrial asset management offerings through the acquisition of business interests in Augury, Ekona Power, Electrochaea, and the acquisition of ARMS Reliability, among others. Also in 2021, we sold approximately 2.2 million C3 AI Shares and received proceeds of $145 million, which is included in other investing activities.

Financing Activities

Cash flows from financing activities used cash of $1,592 million, $2,143 million, and generated cash of $225 million for the years ended December 31, 2022, 2021, and 2020, respectively.

We had net repayments of short-term debt of $28 million, $41 million, and $204 million and long-term debt of nil, $1,313 million, and $42 million in 2022, 2021, and 2020, respectively. The repayment of long-term debt in 2021 was primarily driven by the early repayment of our 2.773% Senior Notes due December 2022 ("the 2022 Notes") with a principal amount of $1,250 million. In addition, a charge of $28 million related to the early redemption was recorded within "Interest expense, net" in our consolidated statements of income (loss).

In 2022, we increased our quarterly dividend by one cent to $0.19 per share during the fourth quarter. We paid dividends of $726 million, $592 million, and $488 million to our Class A stockholders, and we made distributions of $17 million, $157 million, and $256 million to GE in 2022, 2021, and 2020, respectively.

In 2022, our Board of Directors authorized an increase to our repurchase program of $2 billion of additional Class A common stock and LLC units for each of the Company and BHH LLC, respectively, increasing its existing repurchase authorization of $2 billion to $4 billion. During 2022, the Company and BHH LLC repurchased and canceled 29.7 million shares of Class A common stock and LLC Units, respectively, for a total of $828 million.

In 2021, we received proceeds from the issuance of $650 million aggregate principal amount of 1.231% Senior Notes due December 2023 and $600 million aggregate principal amount of 2.061% Senior Notes due December

2026. In 2020, we had proceeds from the issuance of $500 million aggregate principal amount of 4.486% Senior Notes due May 2030.

In 2021, we repaid $832 million (£600 million) of commercial paper originally issued in 2020 ($737 million at date of issuance) under the COVID Corporate Financing Facility established by the Bank of England.

During 2021, the Company and BHH LLC repurchased and canceled 17.6 million shares of Class A common stock and LLC Units, respectively, for a total of $434 million.

Cash Requirements

We believe cash on hand, cash flows from operating activities, the available revolving credit facility, access to both our commercial paper program or our uncommitted lines of credit, and availability under our existing shelf registrations of debt will provide us with sufficient capital resources and liquidity in the short-term and long-term to manage our working capital needs, meet contractual obligations, fund capital expenditures and dividends, repay debt, repurchase our common stock, and support the development of our short-term and long-term operating strategies. When necessary, we issue commercial paper or other short-term debt to fund cash needs in the U.S. in excess of the cash generated in the U.S.

Our capital expenditures can be adjusted and managed by us to match market demand and activity levels. Based on current market conditions, capital expenditures in 2023 will be made at a rate that we estimate would equal up to 5% of annual revenue. The expenditures are expected to be used primarily for normal, recurring items necessary to support our business. We also anticipate making income tax payments in the range of $500 million to $550 million in 2023.

Contractual Obligations and Commitments

Our material cash commitments from known contractual and other obligations consist primarily of obligations for long-term debt and related interest, leases for property and equipment, and purchase obligations as part of normal operations. Certain amounts included in our contractual obligations as of December 31, 2022 are based on our estimates and assumptions about these obligations, including their duration, anticipated actions by third parties and other factors.

See “Note 9. Borrowings” of the Notes to Consolidated Financial Statements in Item 8 herein for information regarding scheduled maturities of our long-term debt. See “Note 8. Leases” of the Notes to Consolidated Financial Statements in Item 8 herein for information regarding scheduled maturities of our operating leases.

As of December 31, 2022, we had expected cash payments for estimated interest on our long-term debt and finance lease obligations of $267 million payable within the next twelve months and $2,936 million payable thereafter.

As of December 31, 2022, we had purchase obligations of $1,584 million payable within the next twelve months and $907 million payable thereafter. Our purchase obligations include expenditures for capital assets for 2023 as well as agreements to purchase goods or services or licenses that are enforceable and legally binding and that specify all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.

Due to the uncertainty with respect to the timing of potential future cash outflows associated with our uncertain tax positions, we are unable to make reasonable estimates of the period of cash settlement, if any, to the respective taxing authorities. Therefore, $665 million in uncertain tax positions, including interest and penalties, have been excluded from the contractual obligations discussed above. See "Note 11. Income Taxes" of the Notes to Consolidated Financial Statements in Item 8 herein for further information.

Other factors affecting liquidity

Customer receivables: In line with industry practice, we may bill our customers for services provided in arrears dependent upon contractual terms. In a challenging economic environment, we may experience delays in the payment of our invoices due to customers' lower cash flow from operations or their more limited access to credit markets. While historically there have not been material non-payment events, we attempt to mitigate this risk through working with our customers to restructure their debts. A customer's failure or delay in payment could have a material adverse effect on our short-term liquidity and results from operations. As of December 31, 2022, 15% of our gross customer receivables were from customers in the U.S. and 11% were from customers in Mexico. As of December 31, 2021, 13% of our gross customer receivables were from customers in the U.S and 12% were from customers in Mexico.

International operations: Our cash that is held outside the U.S. is 77% of the total cash balance as of December 31, 2022. We may not be able to use this cash quickly and efficiently due to exchange or cash controls that could make it challenging. As a result, our cash balance may not represent our ability to quickly and efficiently use this cash.

Supply chain finance programs: Under supply chain finance programs, administered by a third party, our suppliers are given the opportunity to sell receivables from us to participating financial institutions at their sole discretion at a rate that leverages our credit rating and thus might be more beneficial to our suppliers. Our responsibility is limited to making payment on the terms originally negotiated with our supplier, regardless of whether the supplier sells its receivable to a financial institution. The range of payment terms we negotiate with our suppliers is consistent, irrespective of whether a supplier participates in the program. These liabilities continue to be presented as accounts payable in our consolidated statements of financial position and reflected as cash flow from operating activities when settled. We do not believe that changes in the availability of supply chain financing programs would have a material impact on our liquidity.

CRITICAL ACCOUNTING ESTIMATES

An accounting policy is deemed to be critical if the nature of the estimate or assumption it incorporates is subject to a material level of judgment related to matters that are highly uncertain and changes in those estimates and assumptions are reasonably likely to materially impact our consolidated financial statements. These estimates reflect our best judgment about current, and for some estimates, future, economic and market conditions and their potential effects based on information available as of the date of these financial statements. If these conditions change from those expected, it is reasonably possible that the judgments and estimates described below could change, which may result in future impairments of goodwill, or the establishment of valuation allowances on deferred tax assets and increased tax liabilities, among other effects. Also, see "Note 1. Summary of Significant Accounting Policies" of the Notes to Consolidated Financial Statements in Item 8 herein, which discusses our most significant accounting policies.

The Audit Committee of our Board of Directors has reviewed our critical accounting estimates and the disclosure presented below. During the past three fiscal years, we have not made any material changes in the methodology used to establish the critical accounting estimates, and we believe that the following are the critical accounting estimates used in the preparation of our consolidated financial statements for the year ended December 31, 2022. There are other items within our consolidated financial statements that require estimation and judgment, but they are not deemed critical as defined above.

Revenue Recognition on Long-Term Product Services Agreements

We have long-term service agreements with our customers within our IET segment. These agreements typically require us to maintain assets sold to the customer over a defined contract term. These agreements have average contract terms of greater than 10 years. From time to time, these contract terms may be extended through contract modifications or amendments, which may result in revisions to future billing and cost estimates. Revenue recognition on long-term product services agreements requires estimates of both customer payments and the costs to perform required maintenance services over the contract term. We recognize revenue on an over time basis using input method to measure our progress toward completion at the estimated margin rate of the contract.

To develop our billings estimates, we consider the number of billable events that will occur based on estimated utilization of the asset under contract, over the life of the contract term. This estimated utilization will consider both historical and market conditions, asset retirements and new product introductions, if applicable.

To develop our cost estimates, we consider the timing and extent of maintenance and overhaul events, including the amount and cost of labor, spare parts and other resources required to perform the services. In developing our cost estimates, we utilize a combination of our historical cost experience and expected cost improvements. Cost improvements are only included in future cost estimates after savings have been observed in actual results or proven effective through an extensive regulatory or engineering approval process.

We routinely review the estimates used in our product services agreements and regularly revise them to adjust for changes. These revisions are based on objectively verifiable information that is available at the time of the review. We gain insight into expected future utilization and cost trends, as well as credit risk, through our knowledge of the equipment installed and the close interaction with our customers through supplying critical services and parts over extended periods.

Revisions to cost or billing estimates may affect a product services agreement's total estimated profitability resulting in an adjustment of earnings; such adjustments generated earnings of $20 million, $14 million and $17 million for the three years ended December 31, 2022, 2021 and 2020, respectively. We provide for probable losses when they become evident. Cash billings collected on these contracts were approximately $0.7 billion and $0.6 billion during the years ended December 31, 2022 and 2021, respectively. Our contracts (on average) are approximately 18% complete based on costs incurred to date and our estimate of future costs.

Revenue Recognition on Sale of Customized Equipment

We recognize revenue on agreements for sales of equipment manufactured to unique customer specifications including long-term construction projects, on an over time basis utilizing cost inputs as the measurement criteria in assessing the progress toward completion. Our estimation of the total costs required to fulfill our promise to a customer is generally based on our history of manufacturing similar assets for customers. This estimation of cost is critical to our revenue recognition process and is updated routinely to reflect changes in quantity or cost of the inputs. In certain projects, the underlying technology or promise to the customer is unique to what we have historically promised and reliably estimating the total cost to fulfill the promise to the customer requires a significant level of judgment. We provide for potential losses on any of these agreements when it is probable that we will incur the loss. The total revenue recognized for the sale of equipment on an over time basis during the twelve months ended December 31, 2022, 2021, and 2020 was $4.2 billion, $4.8 billion, and $4.6 billion, respectively.

Goodwill and Other Identified Intangible Assets

We perform an annual impairment test of goodwill on a qualitative or quantitative basis for each of our reporting units as of July 1, or more frequently when circumstances indicate an impairment may exist at the reporting unit level. When performing the annual impairment test we have the option of first performing a qualitative assessment to determine the existence of events and circumstances that would lead to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If such a conclusion is reached, we would then be required to perform a quantitative impairment assessment of goodwill. A quantitative assessment for the determination of impairment is made by comparing the carrying amount of each reporting unit with its fair value. Determining the fair value of a reporting unit is judgmental in nature and involves the use of significant estimates and assumptions and typically requires analysis of discounted cash flows and other market information, such as trading multiples, and comparable transactions. Cash flow analysis requires judgment regarding many factors, such as management's projections of future cash flows, weighted-average cost of capital, and long-term growth rates. Market information requires judgmental selection of relevant market comparables. We assess the valuation methodology based upon the relevance and availability of the data at the time the valuation is performed. Our estimates are based upon assumptions believed to be reasonable but which are inherently uncertain, and actual results may differ from those assumed in our analysis. The determination of whether goodwill is impaired involves a significant level of judgment in these assumptions, and changes in our forecasts, business strategy, government regulations, or economic or market conditions could significantly impact these judgments, potentially decreasing the fair value of one or more reporting units. Any resulting impairment charges could have a material impact on our results of operations.

Income Taxes

Our effective tax rate is based on our income, statutory tax rates, and differences between tax laws and U.S. GAAP in various jurisdictions. Tax laws are complex and subject to different interpretations by the taxpayer and respective governmental taxing authorities. Our rate may be further impacted by the repatriation of foreign earnings that are considered indefinitely reinvested to the extent the repatriation would result in additional taxes such as withholding and income taxes. Indefinite reinvestment is determined by management's judgment and intentions concerning the future operations of the Company. In cases where repatriation would otherwise incur significant withholding or income taxes, these foreign earnings have been indefinitely reinvested in active non-U.S. business operations. Computation of the potential deferred tax liability associated with these undistributed earnings and any other basis differences is not practicable.

Deferred income tax assets represent amounts available to reduce income taxes payable in future years. We evaluate the recoverability of these future tax deductions and credits by assessing the adequacy of future taxable income from all sources, including reversal of taxable temporary differences, forecasted operating earnings and available tax planning strategies. These sources of income rely heavily on estimates. We use our historical experience and short and long range business forecasts to provide insight. We record a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Our tax filings routinely are subject to audit by the tax authorities in the jurisdictions where we conduct business. These audits may result in assessments of additional taxes that are resolved with the tax authorities or through the courts. We have provided for the amounts we believe will ultimately result from these proceedings, but settlements of issues raised in these audits may affect our tax rate. We have $496 million of gross unrecognized tax benefits, excluding interest and penalties, at December 31, 2022. We are not able to reasonably estimate in which future periods these amounts ultimately will be settled.

Allowance for Credit Losses

The estimation of anticipated credit losses that may be incurred as we work through the invoice collection process with our customers requires us to make judgments and estimates regarding our customers' ability to pay amounts due to us. We monitor our customers' payment history and current credit worthiness to determine that collectability is reasonably assured. We also consider the overall business climate in which our customers operate. For accounts receivable, a loss allowance matrix is utilized to measure lifetime expected credit losses. The matrix contemplates historical credit losses by age of receivables, adjusted for any forward-looking information and management expectations. At December 31, 2022 and 2021, the allowance for credit losses totaled $341 million and $400 million of total gross accounts receivable, respectively. We believe that our allowance for credit losses is adequate to cover the anticipated credit losses under current conditions; however, uncertainties regarding changes in the financial condition of our customers, either adverse or positive, could impact the amount and timing of any additional credit losses that may be required.

Inventory Reserves

Inventory is a significant component of current assets and is stated at the lower of cost or net realizable value. This requires us to record provisions and maintain reserves for excess, slow moving, and obsolete inventory. To determine these reserve amounts, we regularly review inventory quantities on hand and compare them to estimates of future product demand, market conditions, production requirements, and technological developments. These estimates and forecasts inherently include uncertainties and require us to make judgments regarding potential future outcomes. At December 31, 2022 and 2021, inventory reserves totaled $396 million and $374 million of gross inventory, respectively. We believe that our reserves are adequate to properly value potential excess, slow moving, and obsolete inventory under current conditions. Significant or unanticipated changes to our estimates and forecasts could impact the amount and timing of any additional provisions for excess, slow moving or obsolete inventory that may be required.

NEW ACCOUNTING STANDARDS TO BE ADOPTED

See "Note 1. Summary of Significant Accounting Policies" of the Notes to Consolidated Financial Statements in Item 8 herein for further discussion of accounting standards to be adopted.

RELATED PARTY TRANSACTIONS

See "Note 18. Related Party Transactions" of the Notes to Consolidated Financial Statements in Item 8 herein for further discussion of related party transactions.

FORWARD-LOOKING STATEMENTS

This Form 10-K, including MD&A and certain statements in the Notes to Consolidated Financial Statements, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended, (each a "forward-looking statement"). Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "endeavor," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, the risk factors in the "Risk Factors" section of Part 1 of Item 1A of this Form 10-K and those set forth from time-to-time in other filings by the Company with the SEC. These documents are available through our website or through the SEC's Electronic Data Gathering and Analysis Retrieval ("EDGAR") system at http://www.sec.gov.

In light of such risks and uncertainties, we caution you not to place undue reliance on these forward-looking statements. These forward-looking statements speak only as of the date of this annual report, or if earlier, as of the date they were made. We do not intend to, and disclaim any obligation to, update or revise any forward-looking statements unless required by securities law.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks that are inherent in our financial instruments and arise from changes in interest rates and foreign currency exchange rates. We may enter into derivative financial instrument transactions to manage or reduce market risk, but do not enter into derivative financial instrument transactions for speculative purposes. A discussion of our primary market risk exposure in financial instruments is presented below.

INTEREST RATE RISK

All of our long-term debt is comprised of fixed rate instruments. We are subject to interest rate risk on our debt and investment portfolio. As of December 31, 2022, we had interest rate swaps with a notional amount of $500 million that converted a portion of our $1,350 million aggregate principal amount of 3.337% fixed rate Senior Notes due 2027 into a floating rate instrument with an interest rate based on a LIBOR index as a hedge of its exposure to changes in fair value that are attributable to interest rate risk. The interest rate swaps are designated and each qualify as a fair value hedging instrument. The interest rate swaps are considered to be effective at achieving offsetting changes in the fair value of the hedged liability, and no ineffectiveness is recognized. The mark-to-market of this fair value hedge was recorded as gain or loss in interest expense and was equally offset by the gain or loss of the underlying debt instrument, which also was recorded in interest expense.

The following table sets forth our fixed rate long-term debt, excluding finance leases, and the related weighted average interest rates by expected maturity dates.

(In millions)	2023	2024	2025	2026	2027	Thereafter	Total [2]
As of December 31, 2022							
Long-term debt [1]	$ 650	$ 107	$ —	$ 600	$ 1,350	$ 3,756	$ 6,463
Weighted average interest rates	1.46 %	4.07 %	— %	2.36 %	3.75 %	4.06 %	3.59 %

[1] Fair market value of our fixed rate long-term debt, excluding finance leases, was $5.8 billion at December 31, 2022.

[2] Amounts represent the principal value of our long-term debt outstanding and related weighted average interest rates at the end of the respective period.

FOREIGN CURRENCY EXCHANGE RISK

We conduct our operations around the world in a number of different currencies, and we are exposed to market risks resulting from fluctuations in foreign currency exchange rates. Many of our significant foreign subsidiaries have designated the local currency as their functional currency. As such, future earnings are subject to change due to fluctuations in foreign currency exchange rates when transactions are denominated in currencies other than our functional currencies.

Additionally, we buy, manufacture and sell components and products across global markets. These activities expose us to changes in foreign currency exchange rates, commodity prices and interest rates which can adversely affect revenue earned and costs of our operating businesses. When the currency in which equipment is sold differs from the primary currency of the legal entity and the exchange rate fluctuates, it will affect the revenue earned on the sale. These sales and purchase transactions also create receivables and payables denominated in foreign currencies and exposure to foreign currency gains and losses based on changes in exchange rates. Changes in the price of raw materials used in manufacturing can affect the cost of manufacturing. We use derivatives to mitigate or eliminate these exposures, where appropriate.

We use cash flow hedging primarily to reduce or eliminate the effects of foreign currency exchange rate changes on purchase and sale contracts. Accordingly, most derivative activity in this category consists of currency exchange contracts. We had outstanding foreign currency forward contracts with notional amounts aggregating $3 billion and $3.3 billion to hedge exposure to currency fluctuations in various foreign currencies at December 31, 2022 and 2021, respectively. The notional amount of these derivative instruments do not generally represent cash amounts exchanged by us and the counterparties, but rather the nominal amount upon which changes in the value of the derivatives are measured.

As of December 31, 2022, the Company estimates that a 1% appreciation or depreciation in the U.S. dollar would result in an impact of less than $10 million to our pre-tax earnings, however, the Company is generally able to mitigate its foreign exchange exposure, where there are liquid financial markets, through use of foreign currency derivative transactions. Also, see "Note 15. Financial Instruments" of the Notes to Consolidated Financial Statements in Item 8 herein, which has additional details on our strategy.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). Our 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.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we assessed the effectiveness of our internal control over financial reporting based on the 2013 framework in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment, our principal executive officer and principal financial officer concluded that our internal control over financial reporting was effective as of December 31, 2022. This conclusion is based on the recognition that there are inherent limitations in all systems of internal control. Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. 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.

KPMG LLP, the Company's independent registered public accounting firm, has issued an attestation report on the effectiveness of the Company's internal control over financial reporting.

/s/ LORENZO SIMONELLI
Lorenzo Simonelli
Chairman, President and
Chief Executive Officer

/s/ NANCY BUESE
Nancy Buese
Chief Financial Officer

/s/ KURT CAMILLERI
Kurt Camilleri
Senior Vice President, Controller and Chief Accounting Officer

Houston, Texas
February 14, 2023

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Baker Hughes Company:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Baker Hughes Company and subsidiaries (the Company) as of December 31, 2022 and 2021, the related consolidated statements of income (loss), comprehensive income (loss), changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2022, 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, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 14, 2023 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a 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 accounts or disclosures to which it relates.

Revenue recognition on certain agreements for sales of equipment manufactured to unique customer specifications

As discussed in Note 1 to the consolidated financial statements, the Company enters into agreements for sales of equipment manufactured to unique customer specifications on an over time basis. Revenue from these types of contracts is recognized to the extent of progress towards completion measured by actual costs incurred relative to total expected costs. The Company provides for potential losses on these types of contracts when it is probable that a loss will be incurred.

We identified revenue recognition for certain contracts from the sales of equipment manufactured to unique customer specifications as a critical audit matter. Complex auditor judgment was required in evaluating the Company's long-term estimates of the expected costs to be incurred in order to complete these contracts.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's revenue recognition process for sales of equipment manufactured to unique customer specifications. This included controls pertaining to the Company's estimation of costs expected to be incurred to complete contracts for sales of equipment manufactured to unique customer specifications. We evaluated the Company's ability to accurately estimate costs expected to be incurred to complete the contracts for sales of equipment manufactured to unique customer specifications. We evaluated the estimated costs expected to be incurred to complete the equipment manufactured to unique customer specifications for the contracts by:

- questioning the Company's finance and project managers regarding progress to date based on the latest project reports and the costs expected to still be incurred until completion;
- observing project review meetings performed by the Company or inspecting relevant minutes of those meetings to identify changes in the estimated costs expected to be incurred to complete the contract and related contract margins;
- assessing the remaining estimated costs expected to be incurred by expenditure category by comparing to the actual costs incurred during the current year for the selected project; and
- investigating changes to the contract margin when compared to the prior year's estimated contract margin.

We have served as the Company's auditor since 2017.

/s/ KPMG LLP

Houston, Texas
February 14, 2023

REPORT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and Board of Directors
Baker Hughes Company:

Opinion on Internal Control Over Financial Reporting

We have audited Baker Hughes Company and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as of December 31, 2022 and 2021, the related consolidated statements of income (loss), comprehensive income (loss), changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements), and our report dated February 14, 2023 expressed an unqualified opinion on those consolidated financial statements.

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 of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included 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/ KPMG LLP
Houston, Texas
February 14, 2023

BAKER HUGHES COMPANY
CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(In millions, except per share amounts)	Year Ended December 31, 2022	2021	2020
Revenue:			
Sales of goods	$ 12,236	$ 12,248	$ 12,846
Sales of services	8,920	8,254	7,859
Total revenue	21,156	20,502	20,705
Costs and expenses:			
Cost of goods sold	10,445	10,458	11,383
Cost of services sold	6,311	5,995	6,123
Selling, general and administrative	2,510	2,470	2,404
Goodwill impairment	—	—	14,773
Restructuring, impairment and other	682	209	1,866
Separation related	23	60	134
Total costs and expenses	19,971	19,192	36,683
Operating income (loss)	1,185	1,310	(15,978)
Other non-operating income (loss), net	(911)	(583)	1,040
Interest expense, net	(252)	(299)	(264)
Income (loss) before income taxes	22	428	(15,202)
Provision for income taxes	(600)	(758)	(559)
Net loss	(578)	(330)	(15,761)
Less: Net income (loss) attributable to noncontrolling interests	23	(111)	(5,821)
Net loss attributable to Baker Hughes Company	$ (601)	$ (219)	$ (9,940)
Per share amounts:			
Basic & diluted income (loss) per Class A common share	$ (0.61)	$ (0.27)	$ (14.73)
Cash dividend per Class A common share	$ 0.73	$ 0.72	$ 0.72

See accompanying Notes to Consolidated Financial Statements

BAKER HUGHES COMPANY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(In millions)	Year Ended December 31, 2022	2021	2020
Net loss	$ (578)	$ (330)	$ (15,761)
Less: Net income (loss) attributable to noncontrolling interests	23	(111)	(5,821)
Net loss attributable to Baker Hughes Company	(601)	(219)	(9,940)
Other comprehensive income (loss):			
Investment securities	—	—	(2)
Foreign currency translation adjustments	(269)	(305)	175
Cash flow hedges	2	(16)	(5)
Benefit plans	(14)	170	(125)
Other comprehensive income (loss)	(281)	(151)	43
Less: Other comprehensive loss attributable to noncontrolling interests	(3)	(16)	—
Other comprehensive income (loss) attributable to Baker Hughes Company	(278)	(135)	43
Comprehensive loss	(859)	(481)	(15,718)
Less: Comprehensive income (loss) attributable to noncontrolling interests	20	(127)	(5,821)
Comprehensive loss attributable to Baker Hughes Company	$ (879)	$ (354)	$ (9,897)

See accompanying Notes to Consolidated Financial Statements

BAKER HUGHES COMPANY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(In millions, except par value)	December 31, 2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 2,488	$ 3,853
Current receivables, net	5,958	5,651
Inventories, net	4,587	3,979
All other current assets	1,559	1,582
Total current assets	14,592	15,065
Property, plant and equipment, less accumulated depreciation	4,538	4,877
Goodwill	5,930	5,959
Other intangible assets, net	4,180	4,131
Contract and other deferred assets	1,503	1,598
All other assets	2,781	2,943
Deferred income taxes	657	735
Total assets	$ 34,181	$ 35,308
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	$ 4,298	$ 3,745
Short-term debt and current portion of long-term debt	677	40
Progress collections and deferred income	3,822	3,232
All other current liabilities	2,278	2,111
Total current liabilities	11,075	9,128
Long-term debt	5,980	6,687
Deferred income taxes	229	127
Liabilities for pensions and other postretirement benefits	960	1,110
All other liabilities	1,412	1,510
Equity:		
Class A common stock, $0.0001 par value - 2,000 authorized, 1,006 and 909 issued and outstanding as of December 31, 2022 and 2021, respectively	—	—
Class B common stock, $0.0001 par value - 1,250 authorized, nil and 117 issued and outstanding as of December 31, 2022 and 2021, respectively	—	—
Capital in excess of par value	28,126	27,375
Retained loss	(10,761)	(10,160)
Accumulated other comprehensive loss	(2,971)	(2,385)
Baker Hughes Company equity	14,394	14,830
Noncontrolling interests	131	1,916
Total equity	14,525	16,746
Total liabilities and equity	$ 34,181	$ 35,308

See accompanying Notes to Consolidated Financial Statements

BAKER HUGHES COMPANY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In millions, except per share amounts)	Class A and Class B Common Stock	Capital in Excess of Par Value	Retained Earnings (Loss)	Accumulated Other Comprehensive Loss	Non-controlling Interests	Total
Balance at December 31, 2019	— $	23,565 $	— $	(1,636) $	12,570 $	34,499
Comprehensive income (loss):						
Net loss			(9,940)		(5,821)	(15,761)
Other comprehensive income				43		43
Dividends on Class A Common Stock ($0.72 per share)		(488)				(488)
Distributions to GE					(256)	(256)
Effect of exchange of Class B common stock and associated BHH LLC Units for Class A common stock		1,317		(185)	(1,132)	—
Stock-based compensation cost		210				210
Other		9	(2)		(12)	(5)
Balance at December 31, 2020	—	24,613	(9,942)	(1,778)	5,349	18,242
Comprehensive loss:						
Net loss			(219)		(111)	(330)
Other comprehensive loss				(135)	(16)	(151)
Dividends on Class A Common Stock ($0.72 per share)		(592)				(592)
Distributions to GE					(157)	(157)
Effect of exchange of Class B common stock and associated BHH LLC Units for Class A common stock		3,584		(477)	(3,107)	—
Repurchase and cancellation of Class A common stock		(418)		5	(21)	(434)
Stock-based compensation cost		205				205
Other		(17)	1		(21)	(37)
Balance at December 31, 2021	—	27,375	(10,160)	(2,385)	1,916	16,746
Comprehensive income (loss):						
Net income (loss)			(601)		23	(578)
Other comprehensive loss				(278)	(3)	(281)
Dividends on Class A Common Stock ($0.73 per share)		(726)				(726)
Distributions to GE					(17)	(17)
Effect of exchange of Class B common stock and associated BHH LLC Units for Class A common stock		2,060		(309)	(1,751)	—
Repurchase and cancellation of Class A common stock		(823)		1	(6)	(828)
Stock-based compensation cost		207				207
Other		33			(31)	2
Balance at December 31, 2022	— $	28,126 $	(10,761) $	(2,971) $	131 $	14,525

See accompanying Notes to Consolidated Financial Statements

BAKER HUGHES COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Year Ended December 31, 2022	2021	2020
Cash flows from operating activities:			
Net loss	$ (578)	$ (330)	$ (15,761)
Adjustments to reconcile net loss to net cash flows from operating activities:			
Depreciation and amortization	1,061	1,105	1,317
Loss on business dispositions	451	—	353
Loss (gain) on equity securities	265	845	(1,417)
Stock-based compensation cost	207	205	210
Property, plant and equipment impairment	166	7	461
Inventory impairment	31	—	246
Goodwill impairment	—	—	14,773
Intangible assets impairment	18	—	729
Changes in operating assets and liabilities:			
Current receivables	(625)	(126)	680
Inventories	(885)	170	(80)
Accounts payable	605	246	(711)
Progress collections and deferred income	1,103	(72)	396
Contract and other deferred assets	(76)	262	(69)
Other operating items, net	145	62	177
Net cash flows from operating activities	1,888	2,374	1,304
Cash flows from investing activities:			
Expenditures for capital assets	(989)	(856)	(974)
Proceeds from disposal of assets	217	315	187
Proceeds from business dispositions	—	70	187
Net cash paid for acquisitions and business interests	(845)	(266)	(57)
Other investing items, net	53	274	39
Net cash flows used in investing activities	(1,564)	(463)	(618)
Cash flows from financing activities:			
Net repayments of short-term debt	(28)	(41)	(204)
Proceeds from the issuance of long-term debt	—	1,250	500
Proceeds from (repayment of) commercial paper	—	(832)	737
Repayments of long-term debt	—	(1,313)	(42)
Dividends paid	(726)	(592)	(488)
Distributions to GE	(17)	(157)	(256)
Repurchase of Class A common stock	(828)	(434)	—
Other financing items, net	7	(24)	(22)
Net cash flows from (used in) financing activities	(1,592)	(2,143)	225
Effect of currency exchange rate changes on cash and cash equivalents	(97)	(47)	(28)
Increase (decrease) in cash and cash equivalents	(1,365)	(279)	883
Cash and cash equivalents, beginning of period	3,853	4,132	3,249
Cash and cash equivalents, end of period	$ 2,488	$ 3,853	$ 4,132

See "Note 23. Supplementary Information" for additional cash flow disclosures

See accompanying Notes to Consolidated Financial Statements

NOTE 1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF THE BUSINESS

Baker Hughes Company ("Baker Hughes", "the Company", "we", "us", or "our") is an energy technology company with a diversified portfolio of technologies and services that span the energy and industrial value chain. We are a holding company and have no material assets other than our wholly owned operating company, Baker Hughes Holdings LLC ("BHH LLC"). As of December 31, 2022, General Electric Company ("GE") no longer had an economic interest in BHH LLC. As of December 31, 2021, GE's economic interest in BHH LLC was 11.4%. See "Note 13. Equity" for further information. BHH LLC is a Securities and Exchange Commission ("SEC") registrant with separate filing requirements with the SEC and its separate financial information can be obtained from www.sec.gov.

BASIS OF PRESENTATION

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S." and such principles, "U.S. GAAP") and pursuant to the rules and regulations of the SEC for annual financial information. The consolidated financial statements include the accounts of Baker Hughes and all of its subsidiaries and affiliates which it controls or variable interest entities for which we have determined that we are the primary beneficiary. All intercompany accounts and transactions have been eliminated.

In the Company's consolidated financial statements and notes, certain amounts have been reclassified to conform with the current year presentation. In the notes to the consolidated financial statements, all dollar and share amounts in tabulations are in millions of dollars and shares, respectively, unless otherwise indicated. Certain columns and rows in our financial statements and notes thereto may not add due to the use of rounded numbers.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, disclosure of any contingent assets or liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. We base our estimates and judgments on historical experience and on various other assumptions and information that we believe to be reasonable under the circumstances. Estimates and assumptions about future events and their effects cannot be perceived with certainty, and accordingly, these estimates may change as new events occur, as more experience is acquired, as additional information is obtained and as our operating environment changes. While we believe that the estimates and assumptions used in the preparation of the consolidated financial statements are appropriate, actual results could differ from those estimates. Estimates are used for, but are not limited to, determining the following: allowance for credit losses and inventory valuation reserves; recoverability of long-lived assets; revenue recognition on long-term contracts; valuation of goodwill; useful lives used in depreciation and amortization; income taxes and related valuation allowances; accruals for contingencies; actuarial assumptions to determine costs and liabilities related to employee benefit plans; stock-based compensation expense; valuation of derivatives; and the fair value of assets acquired and liabilities assumed in acquisitions.

Foreign Currency

Assets and liabilities of non-U.S. operations with a functional currency other than the U.S. dollar have been translated into U.S. dollars using our period end exchange rates, and revenue, expenses, and cash flows have been translated at average rates for the respective periods. Any resulting translation gains and losses are included in other comprehensive income (loss).

Gains and losses from foreign currency transactions, such as those resulting from the settlement of receivables or payables in the non-functional currency and those resulting from remeasurements of monetary items of non-U.S. operations where the functional currency is the U.S. dollar, are included in the consolidated statements of income (loss).

Revenue from Sale of Equipment

Performance Obligations Satisfied Over Time

We recognize revenue on agreements for sales of equipment manufactured to unique customer specifications including long-term construction projects, on an over time basis, utilizing cost inputs as the measurement criteria in assessing the progress toward completion. Our estimate of costs to be incurred to fulfill our promise to a customer is based on our history of manufacturing similar assets for customers and is updated routinely to reflect changes in quantity or pricing of the inputs. We begin to recognize revenue on these contracts when the contract specific inventory becomes customized for a customer, which is reflective of our initial transfer of control of the incurred costs. We provide for potential losses on any of these agreements when it is probable that we will incur the loss.

Our billing terms for these over time contracts vary, but are generally based on achieving specified milestones. The differences between the timing of our revenue recognized (based on costs incurred) and customer billings (based on contractual terms) results in changes to our contract asset or contract liability positions.

Performance Obligations Satisfied at a Point In Time

We recognize revenue for non-customized equipment at the point in time that the customer obtains control of the good. Equipment for which we recognize revenue at a point in time includes equipment we manufacture on a standardized basis for sale to the market. We use proof of delivery for certain large equipment with more complex logistics associated with the shipment, whereas the delivery of other equipment is generally determined based on historical data of transit times between regions.

On occasion we sell equipment with a right of return. We use our accumulated experience to estimate and provide for such returns when we record the sale. In situations where arrangements include customer acceptance provisions based on seller or customer-specified objective criteria, we recognize revenue when we have concluded that the customer has control of the equipment and that acceptance has or is likely to occur.

Our billing terms for these point in time equipment contracts vary, but are generally based on shipment of the equipment to the customer.

Revenue from Sale of Services

Performance Obligations Satisfied Over Time

We sell product services under long-term product maintenance or extended warranty agreements in our Industrial & Energy Technology segment. These agreements require us to maintain the customers' assets over the service agreement contract terms, which generally range from 10 to 20 years. In general, these are contractual arrangements to provide services, repairs, and maintenance of a covered unit (gas turbines for mechanical drive or power generation, primarily on LNG applications). These services are performed at various times during the life of the contract, thus the costs of performing services are incurred on an other than straight-line basis. We recognize related sales based on the extent of our progress toward completion measured by actual costs incurred in relation to total expected costs. We provide for any loss that we expect to incur on any of these agreements when that loss becomes probable. The Company utilizes historical customer data, prior product performance data, statistical analysis, third-party data, and internal management estimates to calculate contract-specific margins. In certain contracts, the total transaction price is variable based on customer utilization, which is excluded from the contract margin until the period that the customer has utilized to appropriately reflect the revenue activity in the period earned. In addition, revenue for certain oilfield services is recognized on an over time basis as performed.

Our billing terms for these contracts are generally based on asset utilization (i.e. usage per hour) or the occurrence of a major maintenance event within the contract. The differences between the timing of our revenue recognized (based on costs incurred) and customer billings (based on contractual terms) results in changes to our contract asset or contract liability positions.

Performance Obligations Satisfied at a Point In Time

We sell certain tangible products, largely spare equipment, through our services business. We recognize revenue for this equipment at the point in time that the customer obtains control of the good, which is at the point in time we deliver the spare part to the customer. Our billing terms for these point in time service contracts vary, but are generally based on shipment of the equipment to the customer.

Research and Development

Research and development costs are expensed as incurred and relate to the research and development of new products and services. These costs amounted to $556 million, $492 million and $595 million for the years ended December 31, 2022, 2021 and 2020, respectively. Research and development expenses were reported in cost of goods sold and cost of services sold.

Separation Related

Separation related costs relate to activities performed to facilitate the separation from GE including costs for the build-out of certain information technology infrastructures as a result of the separation. Separation activities were substantially completed by the end of 2022.

Cash and Cash Equivalents

Short-term investments with original maturities of three months or less are included in cash equivalents unless designated as available-for-sale and classified as investment securities.

As of December 31, 2022 and 2021, we had $605 million and $601 million, respectively, of cash held in bank accounts that cannot be readily released, transferred or otherwise converted into a currency that is regularly transacted internationally, due to lack of market liquidity, capital controls or similar monetary or exchange limitations limiting the flow of capital out of the jurisdiction. These funds are available to fund operations and growth in these jurisdictions and we do not currently anticipate a need to transfer these funds to the U.S.

Allowance for Credit Losses

We monitor our customers' payment history and current credit worthiness to determine that collectability of the related financial assets are reasonably assured. We also consider the overall business climate in which our customers operate. For accounts receivable, a loss allowance matrix is utilized to measure lifetime expected credit losses. The matrix contemplates historical credit losses by age of receivables, adjusted for any forward-looking information and management expectations.

Concentration of Credit Risk

Our current receivables are spread over a broad and diverse group of customers across many countries. We grant credit to our customers and perform periodic credit evaluations of our customers' financial conditions, including monitoring our customers' payment history and current credit worthiness to manage this risk. We do not generally require collateral in support of our current receivables, but we may require payment in advance or security in the form of a letter of credit or a bank guarantee.

Inventories

All inventories are stated at the lower of cost or net realizable values and they are measured on a first-in, first-out ("FIFO") basis or average cost basis. As necessary, we record provisions and maintain reserves for excess,

slow moving and obsolete inventory. To determine these reserve amounts, we regularly review inventory quantities on hand and compare them to estimates of future product demand, market conditions, production requirements and technological developments.

Property, Plant and Equipment ("PP&E")

Property, plant and equipment is initially stated at cost and is depreciated over its estimated economic life. Subsequently, property, plant and equipment is measured at cost less accumulated depreciation, which is generally provided by using the straight-line method over the estimated economic lives of the individual assets, and impairment losses. We manufacture a substantial portion of our tools and equipment in our OFSE segment and the cost of these items, which includes direct and indirect manufacturing costs, is capitalized in inventory and subsequently moved to PP&E.

Other Intangible Assets

We amortize the cost of other intangible assets over their estimated useful lives unless such lives are deemed indefinite. The cost of intangible assets is generally amortized on a straight-line basis over the asset's estimated economic life. Amortizable intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. In these circumstances, they are tested for impairment based on undiscounted cash flows and, if impaired, written down to fair value based on either discounted cash flows or appraised values. Intangible assets with indefinite lives are tested annually for impairment and written down to fair value as required. Refer to the *Impairment of Goodwill and Other Long-Lived Assets* accounting policy.

Impairment of Goodwill and Other Long-lived Assets

We perform an annual impairment test of goodwill on a qualitative or quantitative basis for each of our reporting units as of July 1, or more frequently when circumstances indicate an impairment may exist at the reporting unit level. When performing the annual impairment test we have the option of first performing a qualitative assessment to determine the existence of events and circumstances that would lead to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If such a conclusion is reached, we would then be required to perform a quantitative impairment assessment of goodwill. However, if the assessment leads to a determination that it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, then no further assessments are required. A quantitative assessment for the determination of impairment is made by comparing the carrying amount of each reporting unit with its fair value, which is generally calculated using a combination of market, comparable transaction and discounted cash flow approaches. See "Note 5. Goodwill and Other Intangible Assets" for further information on valuation methodology and impairment of goodwill.

We review PP&E, intangible assets and certain other long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable and at least annually for indefinite-lived intangible assets. When testing for impairment, we group our long-lived assets with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities (or asset group). The determination of recoverability is made based upon the estimated undiscounted future net cash flows. The amount of impairment loss, if any, is determined by comparing the fair value, as determined by a discounted cash flow analysis, with the carrying value of the related assets.

Financial Instruments

Our financial instruments include cash and equivalents, current receivables, investments, accounts payables, short and long-term debt, and derivative financial instruments.

We monitor our exposure to various business risks including commodity prices and foreign currency exchange rates and we regularly use derivative financial instruments to manage these risks. At the inception of a new derivative, we designate the derivative as a hedge or we determine the derivative to be undesignated as a hedging instrument. We document the relationships between the hedging instruments and the hedged items, as well as our risk management objectives and strategy for undertaking various hedge transactions. We assess whether the

derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of the hedged item at both the inception of the hedge and on an ongoing basis.

We have a program that utilizes foreign currency forward contracts to reduce the risks associated with the effects of certain foreign currency exposures. Under this program, our strategy is to have gains or losses on the foreign currency forward contracts mitigate the foreign currency transaction and translation gains or losses to the extent practical. These foreign currency exposures typically arise from changes in the value of assets (for example, current receivables) and liabilities (for example, current payables) which are denominated in currencies other than the functional currency of the respective entity. We record all derivatives as of the end of our reporting period in our consolidated statements of financial position at fair value. For the forward contracts held as undesignated hedging instruments, we record the changes in fair value of the forward contracts in our consolidated statements of income (loss) along with the change in the fair value, related to foreign exchange movements, of the hedged item. Changes in the fair value of forward contracts designated as cash flow hedging instruments are recognized in other comprehensive income until the hedged item is recognized in earnings.

Fair Value Measurements

For financial assets and liabilities measured at fair value on a recurring basis, fair value is the price we would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date.

Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. Preference is given to observable inputs. These two types of inputs create the following fair value hierarchy:

- Level 1 - Quoted prices for identical instruments in active markets.
- Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.
- Level 3 - Significant inputs to the valuation model are unobservable.

We maintain policies and procedures to value instruments using the best and most relevant data available. In addition, we perform reviews to assess the reasonableness of the valuations. With regard to Level 3 valuations (including instruments valued by third parties), we perform a variety of procedures to assess the reasonableness of the valuations. Such reviews include an evaluation of instruments whose fair value change exceeds predefined thresholds (and/or does not change) and consider the current interest rate, currency and credit environment, as well as other published data, such as rating agency market reports and current appraisals.

Recurring Fair Value Measurements

Derivatives

When we have Level 1 derivatives, which are traded either on exchanges or liquid over-the-counter markets, we use closing prices for valuation. The majority of our derivatives are valued using internal models and are included in Level 2. These internal models maximize the use of market observable inputs including interest rate curves and both forward and spot prices for currencies and commodities. Derivative assets and liabilities included in Level 2 primarily represent foreign currency and commodity forward contracts for the Company.

Investments in Debt and Equity Securities

When available, we use quoted market prices to determine the fair value of investment securities, and they are included in Level 1. Level 1 securities primarily include publicly traded equity securities.

For investment securities for which market prices are observable for identical or similar investment securities but not readily accessible for each of those investments individually (that is, it is difficult to obtain pricing information for each individual investment security at the measurement date), we use pricing models that are consistent with what other market participants would use. The inputs and assumptions to the models are derived from market observable sources including: benchmark yields, reported trades, broker/dealer quotes, issuer spreads, benchmark securities, bids, offers, and other market-related data. Thus, certain securities may not be priced using quoted prices, but rather determined from market observable information. These investments are included in Level 2. When we use valuations that are based on significant unobservable inputs we classify the investment securities in Level 3.

Non-Recurring Fair Value Measurements

Certain assets are measured at fair value on a non-recurring basis and are subject to fair value adjustments only in certain circumstances. These assets can include long-lived assets that have been reduced to fair value when they are held for sale, equity securities without readily determinable fair value, equity method investments and long-lived assets that are written down to fair value when they are impaired, and the remeasurement of retained investments in formerly consolidated subsidiaries upon a change in control that results in a deconsolidation of a subsidiary, if we sell a controlling interest and retain a noncontrolling stake in the entity.

Investments in Equity Securities

Investments in equity securities (of entities in which we do not have either a controlling financial interest or significant influence, most often because we hold a voting interest of 0% to 20%) with readily determinable fair values are measured at fair value with changes in fair value recognized in earnings and reported in "other non- operating income (loss), net" in the consolidated statements of income (loss). Equity securities that do not have readily determinable fair values are recorded at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for identical or similar equity securities of the same issuer. These changes are recorded in "other non-operating income (loss), net" in the consolidated statements of income (loss).

Equity method investments are equity holdings in entities in which we do not have a controlling financial interest, but over which we have significant influence, most often because we hold a voting interest of 20% to 50%. The results of our equity method investments are presented in the consolidated statements of income (loss) as follows: (i) if the investment is integral to our operations, their results are included in "Selling, general and administrative," and (ii) if the investment is not integral to our operations, their results are included in "Other non-operating income (loss), net." Investments in, and advances to, equity method investments are presented on a one-line basis in the caption "All other assets" in our consolidated statements of financial position.

Income Taxes

We file U.S. federal and state income tax returns which primarily includes our distributive share of items of income, gain, loss and deduction of BHH LLC, which is treated as a partnership for U.S. tax purposes. As such, BHH LLC will not itself be subject to U.S. federal income tax under current U.S. tax laws. Non-U.S. current and deferred income taxes owed by the subsidiaries of BHH LLC are reflected in the financial statements.

We account for taxes under the asset and liability method. Under this method, deferred income taxes are recognized for temporary differences between the financial statement and the tax base of assets and liabilities based on enacted tax rates expected to be in effect when taxes are actually paid or recovered, as well as for net operating losses and tax credit carryforwards. The effect of a change in tax laws or rates on deferred tax assets and liabilities is recognized in income in the period in which such change is enacted. Future tax benefits are recognized to the extent that realization of such benefits is more likely than not, and a valuation allowance is established for any portion of a deferred tax asset that management believes is not more likely than not to be realized.

We provide U.S. deferred taxes on our outside basis difference in our investment in BHH LLC. In determining this outside basis difference, we exclude non-deductible goodwill and the basis difference related to certain foreign

corporations owned by BHH LLC where the undistributed earnings of the foreign corporation have been, or will be, reinvested indefinitely.

Indefinite reinvestment is determined by management's judgment and intentions concerning the future operations of the Company. In cases where repatriation would incur significant withholding or income taxes, these foreign earnings have been indefinitely reinvested in the Company's active non-U.S. business operations. Computation of the potential deferred tax liability associated with these undistributed earnings and any other basis difference is not practicable.

Significant judgment is required in determining our tax expense and in evaluating our tax positions, including evaluating uncertainties. Our tax filings are subject to audit by the tax authorities in the jurisdictions where we conduct business. These audits may result in assessments of additional taxes that are resolved with the tax authorities or through the courts. We have provided for the amounts that we believe will ultimately result from these proceedings. We recognize uncertain tax positions that are "more likely than not" to be sustained if the relevant tax authority were to audit the position with full knowledge of all the relevant facts and other information. For those tax positions that meet this threshold, we measure the amount of tax benefit based on the largest amount of tax benefit that has a greater than 50% chance of being realized in a final settlement with the relevant authority. We classify interest and penalties associated with uncertain tax positions as income tax expense. The effects of tax adjustments and settlements from taxing authorities are presented in financial statements in the period they are finalized.

Environmental Liabilities

We are involved in numerous remediation actions to clean up hazardous waste as required by federal and state laws. Liabilities for remediation costs exclude possible insurance recoveries and, when dates and amounts of such costs are not known, are not discounted. When there appears to be a range of possible costs with equal likelihood, liabilities are based on the low end of such range. It is reasonably possible that our environmental remediation exposure will exceed amounts accrued. However, due to uncertainties about the status of laws, regulations, technology and information related to individual sites, such amounts are not reasonably estimable. The determination of the required accruals for remediation costs is subject to uncertainty, including the evolving nature of environmental regulations and the difficulty in estimating the extent and type of remediation activity that is necessary.

NEW ACCOUNTING STANDARDS TO BE ADOPTED

New accounting pronouncements that have been issued, but not yet effective are currently being evaluated and at this time are not expected to have a material impact on our financial position or results of operations.

NOTE 2. CURRENT RECEIVABLES

Current receivables are comprised of the following at December 31:

		2022		2021
Customer receivables	$	5,083	$	4,724
Related parties		—		481
Other		1,216		846
Total current receivables		6,299		6,051
Less: Allowance for credit losses		(341)		(400)
Total current receivables, net	$	5,958	$	5,651

Customer receivables are recorded at the invoiced amount. Related parties as of December 31, 2021 consists of amounts owed to us primarily by GE. As of June 30, 2022, GE is no longer considered a related party. See "Note 18. Related Party Transactions" for further information. The "Other" category consists primarily of advance payments to suppliers, indirect taxes, and customer retentions.

NOTE 3. INVENTORIES

Inventories, net of reserves of $396 million and $374 million in 2022 and 2021, respectively, are comprised of the following at December 31:

		2022		2021
Finished goods	$	2,419	$	2,228
Work in process and raw materials		2,168		1,751
Total inventories, net	$	4,587	$	3,979

For the year ended December 31, 2022, we recorded inventory impairments of $31 million. Inventory impairments in 2022 were primarily in our Industrial & Energy Technology segment as part of suspending our Russia operations. Inventory impairments are reported in the "Cost of goods sold" caption of the consolidated statements of income (loss). There were no inventory impairments during 2021.

NOTE 4. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are comprised of the following at December 31:

	Useful Life		2022		2021
Land and improvements [1]	8 - 20 years [1]	$	347	$	350
Buildings, structures and related equipment	5 - 40 years		2,120		2,271
Machinery, equipment and other	2 - 20 years		7,192		7,259
Total cost			9,659		9,880
Less: Accumulated depreciation			(5,121)		(5,003)
Property, plant and equipment, less accumulated depreciation		$	4,538	$	4,877

[1] Useful life excludes land.

Depreciation expense relating to property, plant and equipment was $839 million, $852 million and $1,009 million for the years ended December 31, 2022, 2021 and 2020, respectively. See "Note 20. Restructuring, Impairment and Other" for additional information on property, plant and equipment impairments.

NOTE 5. GOODWILL AND INTANGIBLE ASSETS

GOODWILL

The changes in the carrying value of goodwill are detailed below by segment:

	Oilfield Services & Equipment	Industrial & Energy Technology	Total
Balance at December 31, 2020, gross	$ 19,818	$ 4,686	$ 24,504
Accumulated impairment at December 31, 2020	(18,273)	(254)	(18,527)
Balance at December 31, 2020	1,545	4,432	5,977
Currency exchange and others	7	(25)	(18)
Balance at December 31, 2021	1,552	4,407	5,959
Disposition [1]	(161)	—	(161)
Acquisitions [2]	41	417	458
Currency exchange, impairment and other	—	(96)	(96)
Total	1,432	4,728	6,160
Classified as held for sale [3]	—	(230)	(230)
Balance at December 31, 2022	$ 1,432	$ 4,498	$ 5,930

[1] The reduction in Oilfield Services & Equipment ("OFSE") goodwill relates to the sale of part of our OFSE Russia business. See "Note 21. Business Dispositions and Acquisitions" for further information.

[2] See "Note 21. Business Dispositions and Acquisitions" for further information related to acquisitions occurring during 2022.

[3] The reduction in Industrial & Energy Technology ("IET") goodwill relates to transferring our IET Nexus Controls business to held for sale. See "Note 22. Business Held for Sale" for further information.

We perform our annual goodwill impairment test for each of our reporting units as of July 1 of each fiscal year, in conjunction with our annual strategic planning process. We also test goodwill for impairment whenever events or circumstances occur which, in our judgment, could more likely than not reduce the fair value of one or more reporting units below its carrying value. Potential impairment indicators include, but are not limited to, (i) the results of our most recent annual or interim impairment testing, in particular the magnitude of the excess of fair value over carrying value observed, (ii) downward revisions to internal forecasts, and the magnitude thereof, if any, and (iii) declines in our market capitalization below our book value, and the magnitude and duration of those declines, if any.

During the third quarter of 2022, we completed our annual impairment test for each of our reporting units and determined that the fair value was substantially in excess of the carrying value for each reporting unit except for Subsea & Surface Pressure Systems (formerly Oilfield Equipment) resulting in an immaterial impairment of the residual amount of goodwill for this reporting unit. As previously disclosed, effective October 1, 2022, the Company reorganized to create two operating segments. In conjunction with the change in segments, the Company reevaluated its reporting units and concluded there was an immaterial change to the composition of its reporting units resulting in an immaterial goodwill allocation. In addition, we assessed our goodwill for recoverability following the reorganization, and concluded there was no impairment, which was consistent with our annual goodwill impairment test completed immediately prior to the reorganization. See "Note 17. Segment Information" for further details on the change in operating segments. Between our annual test and December 31, 2022, we did not identify any indicators that would lead to a determination that it is more likely than not the fair value of any reporting unit is less than its carrying value. There can be no assurances that future sustained declines in macroeconomic or business conditions affecting our industry will not occur, which could result in goodwill impairment charges in future periods.

OTHER INTANGIBLE ASSETS

Intangible assets are comprised of the following at December 31:

	2022			2021		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	$ 1,917	$ (729)	$ 1,189	$ 1,922	$ (752)	$ 1,170
Technology	1,212	(803)	409	1,090	(747)	$ 343
Trade names and trademarks	287	(175)	112	292	(169)	123
Capitalized software	1,308	(1,040)	268	1,311	(1,057)	254
Finite-lived intangible assets	4,725	(2,747)	1,978	4,615	(2,725)	1,890
Indefinite-lived intangible assets	2,202	—	2,202	2,241	—	2,241
Total intangible assets	$ 6,927	$ (2,747)	$ 4,180	$ 6,856	$ (2,725)	$ 4,131

Intangible assets are generally amortized on a straight-line basis with estimated useful lives ranging from 1 to 35 years. Amortization expense was $222 million, $253 million and $308 million for the years ended December 31, 2022, 2021 and 2020, respectively.

Estimated amortization expense for each of the subsequent five fiscal years is expected to be as follows:

Year	Estimated Amortization Expense
2023	$ 245
2024	223
2025	182
2026	135
2027	114

NOTE 6. CONTRACT AND OTHER DEFERRED ASSETS

Contract assets reflect revenue earned in excess of billings on our long-term contracts to construct technically complex equipment, provide long-term product service and maintenance or extended warranty arrangements and other deferred contract related costs. Our long-term product service agreements are provided by our IET segment. Our long-term equipment contracts are provided by both our IET and OFSE segments. Contract assets are comprised of the following at December 31:

	2022	2021
Long-term product service agreements	$ 392	$ 589
Long-term equipment contracts and certain other service agreements	955	825
Contract assets (total revenue in excess of billings)	1,347	1,414
Deferred inventory costs	125	156
Non-recurring engineering costs	31	28
Contract and other deferred assets	$ 1,503	$ 1,598

Revenue recognized during the years ended December 31, 2022 and 2021 from performance obligations satisfied (or partially satisfied) in previous years related to our long-term service agreements was $20 million and $14 million, respectively. This includes revenue recognized from revisions to cost or billing estimates that may affect a contract's total estimated profitability resulting in an adjustment of earnings.

NOTE 7. PROGRESS COLLECTIONS AND DEFERRED INCOME

Contract liabilities include progress collections, which reflects billings in excess of revenue, and deferred income on our long-term contracts to construct technically complex equipment, long-term product maintenance or extended warranty arrangements. Contract liabilities are comprised of the following at December 31:

	2022	2021
Progress collections	$ 3,713	$ 3,108
Deferred income	109	124
Progress collections and deferred income (contract liabilities)	$ 3,822	$ 3,232

Revenue recognized during the years ended December 31, 2022 and 2021 that was included in the contract liabilities at the beginning of the year was $2,185 million and $2,398 million, respectively.

NOTE 8. LEASES

Our leasing activities primarily consist of operating leases for administrative offices, manufacturing facilities, research centers, service centers, sales offices and certain equipment.

The following table presents operating lease expense:

Operating Lease Expense	2022	2021	2020
Long-term fixed lease	$ 254	$ 255	$ 288
Long-term variable lease	48	32	25
Short-term lease [1]	477	440	477
Total operating lease expense	$ 779	$ 727	$ 790

[1] Leases with a term of one year or less, including leases with a term of one month or less.

Cash flows used in operating activities for operating leases approximates our expense for the years ended December 31, 2022, 2021 and 2020.

As of December 31, 2022, maturities of our operating lease liabilities are as follows:

Year	Operating Leases
2023	$ 214
2024	175
2025	119
2026	91
2027	58
Thereafter	203
Total lease payments	860
Less: imputed interest	119
Total	$ 741

Amounts recognized in the consolidated statements of financial position for operating leases are as follows:

	2022	2021
All other current liabilities	$ 189	$ 196
All other liabilities	552	624
Total	$ 741	$ 820

Right-of-use assets of $757 million and $822 million as of December 31, 2022 and 2021, respectively, were included in "All other assets" in our consolidated statements of financial position. The weighted-average remaining lease term for our operating leases was approximately seven years and nine years for the years ended December 31, 2022 and 2021, respectively. The weighted-average discount rate used to determine the operating lease liability as of December 31, 2022 and 2021 was 3.1% and 3.3%, respectively.

NOTE 9. BORROWINGS

The carrying value of our short-term and long-term borrowings are comprised of the following at December 31:

	2022		2021	
	Amount	Effective Interest Rate [1]	Amount	Effective Interest Rate [1]
Short-term borrowings				
1.231% Senior Notes due December 2023	$ 649	1.5 %	$ —	—
Other borrowings	29	2.9 %	40	4.5 %
Total short-term borrowings	677		40	
Long-term borrowings				
1.231% Senior Notes due December 2023	—	— %	647	1.5 %
8.55% Debentures due June 2024 [2]	114	4.1 %	118	4.1 %
2.061% Senior Notes due December 2026	597	2.4 %	597	2.2 %
3.337% Senior Notes due December 2027	1,277	3.8 %	1,335	3.2 %
6.875% Notes due January 2029 [2]	273	3.9 %	279	4.0 %
3.138% Senior Notes due November 2029	523	3.2 %	522	3.2 %
4.486% Senior Notes due May 2030	497	4.6 %	497	4.6 %
5.125% Senior Notes due September 2040 [2]	1,286	4.2 %	1,292	4.2 %
4.080% Senior Notes due December 2047	1,338	4.1 %	1,337	4.1 %
Other long-term borrowings	75	4.2 %	63	2.9 %
Total long-term borrowings	5,980		6,687	
Total borrowings	$ 6,658		$ 6,727	

[1] Effective interest rate is based on the carrying value including issuance costs, interest rate swaps, and step-up adjustments from the Baker Hughes Incorporated ("BHI") acquisition recorded for certain Senior Notes and Debentures.

[2] Represents long-term fixed rate debt obligations assumed in connection with the acquisition of BHI.

The carrying value of our short-term and long-term borrowings include issuance costs, changes in fair value of the debt instrument hedged by interest rate swaps, and step-up adjustments for the BHI acquisition. At December 31, 2022 and 2021, these adjustments resulted in a net increase to the carrying value of our borrowings totaling $91 million and $162 million, respectively. The estimated fair value of total borrowings at December 31, 2022 and 2021 was $5,863 million and $7,328 million, respectively. For a majority of our borrowings the fair value was determined using quoted period-end market prices. Where market prices are not available, we estimate fair values based on valuation methodologies using current market interest rate data adjusted for our non-performance risk.

Maturities of debt for each of the five years in the period ending December 31, 2027, and in the aggregate thereafter, are listed in the table below:

	2023	2024	2025	2026	2027	Thereafter
Total debt	$ 677	$ 150	$ 14	$ 611	$ 1,280	$ 3,926

BHH LLC has a $3 billion committed unsecured revolving credit facility ("the Credit Agreement") with commercial banks maturing in December 2024. In addition, we have a commercial paper program with authorization up to $3 billion under which we may issue from time to time commercial paper with maturities of no more than 397 days. The Credit Agreement contains certain customary representations and warranties, certain customary affirmative covenants and certain customary negative covenants. Upon the occurrence of certain events of default, BHH LLC's obligations under the Credit Agreement may be accelerated. Such events of default include payment defaults to lenders under the Credit Agreement and other customary defaults. No such events of default have occurred. At December 31, 2022 and 2021, there were no borrowings under either the Credit Agreement or the commercial paper program.

Baker Hughes Co-Obligor, Inc. is a co-obligor, jointly and severally with BHH LLC on our long-term debt securities. This co-obligor is a 100%-owned finance subsidiary of BHH LLC that was incorporated for the sole purpose of serving as a corporate co-obligor of long-term debt securities and has no assets or operations other than those related to its sole purpose. As of December 31, 2022, Baker Hughes Co-Obligor, Inc. is a co-obligor of our long-term debt securities totaling $6,554 million.

Certain Senior Notes contain covenants that restrict BHH LLC's ability to take certain actions, including, but not limited to, the creation of certain liens securing debt, the entry into certain sale-leaseback transactions and engaging in certain merger, consolidation and asset sale transactions in excess of specified limits. At December 31, 2022, we were in compliance with all debt covenants.

NOTE 10. EMPLOYEE BENEFIT PLANS

DEFINED BENEFIT PLANS

Certain of our employees are covered by Company sponsored pension plans. We also maintain unfunded end-of-service benefit plans that are mandated in certain countries in which we operate. Our primary plans disclosed in 2022 included four U.S. plans and eight non-U.S. plans, primarily in the UK and Germany, all with plan assets or obligations greater than $20 million. We use a December 31 measurement date for these plans. These defined benefit plans generally provide benefits to employees based on formulas recognizing length of service and earnings; however, the majority of these plans are either frozen or closed to new entrants. We also provide certain postretirement health care benefits, through unfunded plans, to a closed group of U.S. employees who retire and meet certain age and service requirements. The accumulated postretirement benefit obligation related to these plans was $37 million and $50 million at December 31, 2022 and 2021, respectively.

Funded Status

The funded status position represents the difference between the benefit obligation and the plan assets. Our primary plans consist of seven funded plans and five unfunded plans. The projected benefit obligation ("PBO") for pension benefits represents the actuarial present value of benefits attributed to employee services and compensation and includes an assumption about future compensation levels. The accumulated benefit obligation ("ABO") is the actuarial present value of pension benefits attributed to employee service to date at present compensation levels. The ABO differs from the PBO in that the ABO does not include any assumptions about future compensation levels.

Below is the reconciliation of the beginning and ending balances of benefit obligations, fair value of plan assets and the funded status of our defined benefit plans ("Pension Benefits").

	Pension Benefits	
	2022	2021
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 3,550	$ 3,806
Service cost	23	27
Interest cost	78	64
Actuarial gain [1]	(928)	(154)
Benefits paid	(119)	(111)
Settlements	(24)	(33)
Acquisition	202	—
Other	—	(7)
Foreign currency translation adjustments	(148)	(42)
Benefit obligation at end of year	2,634	3,550
Change in plan assets:		
Fair value of plan assets at beginning of year	3,147	3,202
Actual return on plan assets	(850)	83
Employer contributions	32	28
Benefits paid	(119)	(111)
Settlements	(24)	(33)
Acquisition	214	—
Foreign currency translation adjustments	(134)	(22)
Fair value of plan assets at end of year	2,266	3,147
Funded status - underfunded at end of year	$ (368)	$ (403)
Accumulated benefit obligation	$ 2,595	$ 3,497

[1] The actuarial gain was primarily related to a change in the discount rate used to measure the benefit obligation for our plans in 2022 and 2021.

The amounts recognized in the consolidated statements of financial position consist of the following at December 31:

	Pension Benefits	
	2022	2021
Noncurrent assets	$ 58	$ 109
Current liabilities	(15)	(17)
Noncurrent liabilities	(411)	(495)
Net amount recognized	$ (368)	$ (403)

Information for the plans with ABOs and PBOs in excess of plan assets is as follows at December 31:

	Pension Benefits	
	2022	2021
Projected benefit obligation	$ 1,143	$ 1,476
Accumulated benefit obligation	$ 1,103	$ 1,423
Fair value of plan assets	$ 717	$ 964

We have a U.S. non-qualified supplemental pension plan (“BH SPP”) for certain employees which are included in the benefit obligations and funded status in the tables above. In order to meet a portion of our obligations of the BH SPP, we have established a trust comprised primarily of mutual fund assets. The value of these assets were $34 million and $45 million as of December 31, 2022 and 2021, respectively. These assets are not included as plan assets or in the funded status amounts in the tables above and below.

Net Periodic Cost

The components of net periodic cost are as follows:

	Pension Benefits		
	2022	2021	2020
Service cost	$ 23	$ 27	$ 27
Interest cost	78	64	77
Expected return on plan assets	(114)	(130)	(121)
Amortization of prior service credit	1	1	1
Amortization of net actuarial loss	27	40	34
Curtailment / settlement loss	2	2	10
Net periodic cost	$ 17	$ 4	$ 28

The service cost component of the net periodic cost is included in "operating income (loss)" and all other components are included in the "Other non-operating income (loss), net" caption of the consolidated statements of income (loss).

Assumptions Used in Benefit Calculations

Accounting requirements necessitate the use of assumptions to reflect the uncertainties and the length of time over which the pension obligations will be paid. The actual amount of future benefit payments will depend upon when participants retire, the amount of their benefit at retirement and how long they live. To reflect the obligation in today’s dollars, we discount the future payments using a rate that matches the time frame over which the payments are expected to be made. We also need to assume a long-term rate of return that will be earned on investments used to fund these payments.

Another assumption used is the interest crediting rate for our U.S. qualified cash balance plan. Under the provisions of this pension plan, a hypothetical cash balance account has been established for each participant. Such accounts receive quarterly interest credits based on a prescribed formula.

Weighted average assumptions used to determine benefit obligations for these plans are as follows:

	Pension Benefits	
	2022	2021
Discount rate	4.89 %	2.15 %
Rate of compensation increase	3.30 %	3.21 %
Interest crediting rate	4.31 %	2.60 %

Weighted average assumptions used to determine net periodic cost for these plans are as follows:

	Pension Benefits		
	2022	2021	2020
Discount rate	2.15 %	1.66 %	2.34 %
Expected long-term return on plan assets	3.85 %	4.07 %	4.20 %
Interest crediting rate	2.60 %	2.60 %	2.60 %

We determine the discount rate using a bond matching model, whereby the weighted average yields on high-quality fixed-income securities have maturities consistent with the timing of benefit payments. Lower discount rates increase the size of the benefit obligations while higher discount rates reduce the size of the benefit obligation. The compensation assumption is used in our active plans to estimate the annual rate at which the pay for plan participants will grow. If the rate of growth assumed increases, the size of the pension obligations will increase.

The expected return on plan assets is the estimated long-term rate of return that will be earned on the investments used to fund the pension obligations. To determine this rate, we consider the current and target composition of plan investments, our historical returns earned, and our expectations about the future.

Accumulated Other Comprehensive Loss

The amount recorded before-tax in accumulated other comprehensive loss related to our defined benefit plans consists of the following at December 31:

	Pension Benefits	
	2022	2021
Net actuarial loss	$ 348	$ 365
Net prior service cost	15	17
Total	$ 363	$ 382

Plan Assets

We have investment committees that meet regularly to review portfolio returns and to determine asset-mix targets based on asset/liability studies. Third-party investment consultants assist these committees in developing asset allocation strategies to determine our expected rates of return and expected risk for various investment portfolios. The investment committees considered these strategies in the formal establishment of the current asset-mix targets based on the projected risk and return levels for all major asset classes.

The table below presents the fair value of the plan assets at December 31:

		2022		2021
Debt securities				
Fixed income and cash investment funds	$	1,482	$	1,890
Equity securities				
Global equity securities [1]		180		250
U.S. equity securities [1]		102		222
Insurance contracts		100		112
Real estate		53		59
Private equities		37		48
Other investments [2]		313		566
Total plan assets	$	2,266	$	3,147

[1] Include direct investments and investment funds.

[2] Consists primarily of asset allocation fund investments.

Plan assets valued using Net Asset Value ("NAV") as a practical expedient amounted to $2,157 million and $3,028 million as of December 31, 2022 and 2021, respectively. The percentages of plan assets valued using NAV by investment fund type for equity securities, fixed income and cash, and alternative investments were 13%, 69%, and 18% as of December 31, 2022, respectively, and 16%, 62%, and 22% as of December 31, 2021, respectively. Those investments that were measured at fair value using NAV as a practical expedient were excluded from the fair value hierarchy. The practical expedient was not applied for investments with a fair value of $109 million and $119 million as of December 31, 2022 and 2021, respectively. There were investments classified within Level 3 of $100 million and $112 million for non U.S. insurance contracts as of December 31, 2022 and 2021, respectively.

Other

In April 2022, we initiated the termination of one of our fully funded frozen U.S. defined benefit pension plans (the "Plan"), which would result in the full settlement of our Plan obligations, which at December 31, 2022 was $286 million. The distribution of Plan assets from the pension trust fund pursuant to the termination will not be made until the Plan termination satisfies all regulatory requirements, which we currently expect to occur by the end of 2023. We do not expect the termination to have a material impact on our financial condition, results of operations or cash flows.

Funding Policy

The funding policy for our Pension Benefits is to contribute amounts sufficient to meet minimum funding requirements as set forth in employee benefit and tax laws plus such additional amounts as we may determine to be appropriate. In 2022, we contributed approximately $32 million, which includes benefit payments made directly to the employee for our unfunded plans. We anticipate we will contribute between approximately $15 million to $20 million to our pension plans in 2023.

The following table presents the expected benefit payments for Pension Benefits over the next 10 years. For funded Company sponsored plans, the benefit payments are made by the respective pension trust funds.

Year	Pension Benefits
2023 [1]	$ 447
2024	129
2025	133
2026	138
2027	139
2028-2032	730

[1] Includes $286 million related to the Plan termination discussed above.

DEFINED CONTRIBUTION PLANS

Our primary defined contribution plan during 2022 was the Company-sponsored U.S. 401(k) plan ("401(k) Plan"). The 401(k) Plan allows eligible employees to contribute portions of their eligible compensation to an investment trust. The Company matches employee contributions at the rate of $1.00 per $1.00 employee contribution for the first 5% of the employee's eligible compensation, and such contributions vest immediately. In addition, we make cash contributions for all eligible employees of 4% of their eligible compensation and such contributions are fully vested after three years of employment. The 401(k) Plan provides several investment options, for which the employee has sole investment discretion; however, the 401(k) Plan does not offer the Company's common stock as an investment option. Our costs for the 401(k) Plan and several other U.S. and non-U.S. defined contribution plans amounted to $212 million and $194 million in 2022 and 2021, respectively.

We have two non-qualified defined contribution plans that are invested through trusts. The assets and corresponding liabilities were $256 million and $322 million at December 31, 2022 and 2021, respectively, and are included in the captions "All other assets" and "Liabilities for pensions and other postretirement benefits," respectively, in our consolidated statements of financial position.

NOTE 11. INCOME TAXES

The provision for income taxes is comprised of the following:

	2022	2021	2020
Current:			
U.S.	$ 6	$ 11	$ (59)
Foreign	489	614	458
Total current	495	625	399
Deferred:			
U.S.	40	(24)	11
Foreign	65	157	149
Total deferred	105	133	160
Provision for income taxes	$ 600	$ 758	$ 559

On August 16, 2022, the U.S. enacted The Inflation Reduction Act which included a number of additional credits and deductions for businesses and individuals. The tax provisions of this law, particularly the adoption of the corporate book minimum tax provision, are not effective until 2023. Currently, the Company does not believe the corporate book minimum tax provision, or any of the other tax provisions, will have a material impact on the Company for 2023, however, we will continue to monitor the future impact to Baker Hughes related to this new law. Further, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), which was enacted on March 27, 2020 in the U.S. in response to the COVID-19 pandemic, contained measures to assist companies, including

allowing net operating losses originating in 2018, 2019, or 2020 to be carried back up to five years. During 2020, we elected to carry back losses to 2014 and accordingly recognized a $117 million tax benefit. We received the cash refunds related to this benefit during 2021.

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

	2022	2021	2020
U.S.	$ (698)	$ (724)	$ (14,288)
Foreign	720	1,152	(914)
Income (loss) before income taxes	$ 22	$ 428	$ (15,202)

The provision for income taxes differs from the amount computed by applying the U.S. statutory income tax rate to the loss or income before income taxes for the reasons set forth below for the years ended December 31:

	2022	2021	2020
Income (loss) before income taxes	$ 22	$ 428	$ (15,202)
Taxes at the U.S. federal statutory income tax rate	5	90	(3,192)
Impact of goodwill impairment	—	—	3,102
Effect of foreign operations [1]	338	216	148
Tax expense (benefit) due to unrecognized tax benefits	(7)	201	35
Tax impact of partnership structure	6	137	(33)
Change in valuation allowances	164	70	494
CARES Act	—	—	(117)
Other - net	94	44	122
Provision for income taxes [2]	$ 600	$ 758	$ 559
Actual income tax rate	2,727.3 %	177.1 %	(3.7)%

[1] For December 31, 2022, $140 million of this amount relates to the charges associated with the sale and suspension of our Russia operations.

[2] For December 31, 2021, $121 million of this amount was previously indemnified under the Tax Matters Agreement with GE of which $119 million was included in tax expense due to unrecognized tax benefits. In December 2022, the Company and GE entered into an agreement to terminate the Tax Matters Agreement. See below for further information.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, as well as operating loss and tax credit carryforwards.

The tax effects of our temporary differences and carryforwards are as follows at December 31:

	2022	2021
Deferred tax assets:		
Operating & capital loss carryforwards	$ 2,074	$ 2,297
Tax credit & other carryforwards	1,087	1,183
Investment in partnership	846	457
Property	128	156
Employee benefits	62	116
Goodwill and other intangibles	46	97
Receivables	94	72
Inventory	52	61
Other	163	111
Total deferred income tax asset	4,552	4,550
Valuation allowances	(4,090)	(3,928)
Total deferred income tax asset after valuation allowance	462	622
Deferred tax liabilities:		
Other	(34)	(14)
Total deferred income tax liability	(34)	(14)
Net deferred tax asset	$ 428	$ 608

At December 31, 2022, we had approximately $399 million of non-U.S. tax credits which may be carried forward indefinitely under applicable foreign law, $542 million of U.S. foreign tax credits and $146 million of other U.S. Federal and state tax credits and other carryforwards, the majority of which will expire after tax year 2027 under U.S. Federal and state tax law. Additionally, we had $1,977 million of net operating loss carryforwards ("NOLs"), of which approximately $301 million will expire within five years, $515 million will expire between six years and 20 years, and the remainder can be carried forward indefinitely. Lastly, we had $97 million of capital loss carryforwards, the majority of which will expire within five years.

We record a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of the deferred tax assets depends on the ability to generate sufficient taxable income of the appropriate character in the future and in the appropriate taxing jurisdictions. At December 31, 2022, $4,090 million of valuation allowances are recorded against various deferred tax assets, including foreign operating and capital losses of $1,692 million, U.S. operating and capital losses of $116 million, U.S. foreign and non-U.S. tax credit carryforwards of $936 million, other tax credit carryforwards of $109 million, and certain other U.S. and foreign deferred tax assets of $1,237 million. There are $266 million of deferred tax assets related to NOLs and $196 million of various other deferred tax assets without a valuation allowance as we expect that the deferred tax assets will be realized within the carryforward period.

Indefinite reinvestment is determined by management’s intentions concerning the future operations of the Company. In cases where repatriation would otherwise incur significant withholding or income taxes, these earnings have been indefinitely reinvested in the Company's active non-U.S. business operations. As of December 31, 2022, the cumulative amount of undistributed foreign earnings is approximately $3,323 million. Computation of the potential deferred tax liability associated with these undistributed earnings and any other basis differences is not practicable.

At December 31, 2022, we had $496 million of tax liabilities for total gross unrecognized tax benefits related to uncertain tax positions. In addition to these uncertain tax positions, we had $127 million and $42 million related to interest and penalties, respectively, for total liabilities of $665 million for uncertain positions. If we were to prevail on all uncertain positions, the net effect would result in an income tax benefit of approximately $584 million. The remaining $81 million is comprised of $61 million for deferred tax assets that represent tax benefits that would be received in different taxing jurisdictions or in a different character and $20 million increased valuation allowances.

The following table presents the changes in our gross unrecognized tax benefits included in the consolidated statements of financial position.

Asset / (Liability)		2022		2021
Balance at beginning of year	$	(531)	$	(483)
Additions for tax positions of the current year		(19)		(32)
Additions for tax positions of prior years		(99)		(166)
Reductions for tax positions of prior years		100		42
Settlements with tax authorities		24		95
Lapse of statute of limitations		29		13
Balance at end of year	$	(496)	$	(531)

It is expected that the amount of unrecognized tax benefits will change in the next twelve months due to expiring statutes, audit activity, tax payments, and competent authority proceedings related to transfer pricing or final decisions in matters that are the subject of litigation in various taxing jurisdictions in which we operate. At December 31, 2022, we had approximately $72 million of tax liabilities related to uncertain tax positions, each of which are individually insignificant, and each of which are reasonably possible of being settled within the next twelve months.

We conduct business in more than 120 countries and are subject to income taxes in most taxing jurisdictions in which we operate, each of which may have multiple open years subject to examination. All Internal Revenue Service examinations have been completed and closed through 2019 for the most significant U.S. returns. We believe that we have made adequate provision for all income tax uncertainties.

OTHER

In connection with the merger between BHI and the oil and gas business of GE in July 2017, the Company and BHH LLC had entered into a Tax Matters Agreement ("TMA") with GE. The TMA governed the administration and allocation between the parties of tax liabilities and benefits arising prior to, as a result of, and subsequent to the merger, including the respective rights, responsibilities, and obligations of the parties with respect to various other tax matters. In December 2022, the Company and GE entered into an agreement which resulted in the settlement of claims asserted under the TMA and the termination of the TMA. As a result, we recorded a charge of $81 million, of which $21 million was a cash payment to GE. This charge is reported in the "Other non-operating income (loss), net" caption of the consolidated statements of income (loss).

NOTE 12. STOCK-BASED COMPENSATION

The Company has the Long-Term Incentive Plan ("LTI Plan") under which we may grant restricted stock units ("RSU"), performance share units ("PSU"), stock options and other equity-based awards to employees and non-employee directors providing services to the Company and our subsidiaries. The Company also provides an Employee Stock Purchase Plan ("ESPP") for eligible employees. A total of up to 29.5 million shares of Class A common stock are reserved and available for issuance pursuant to awards granted under the LTI Plan over its term which expires on the date of the annual meeting of the Company in 2031. A total of 27.8 million shares of Class A common stock are available for issuance as of December 31, 2022. This amount includes 20.2 million shares remaining from the initial reserve and 7.6 million shares added due to forfeitures, cancellations, and shares withheld to pay the employee's taxes, subject to the adjustments as provided in the LTI Plan.

Stock-based compensation cost was $207 million, $205 million and $210 million for the years ended December 31, 2022, 2021 and 2020, respectively. Stock-based compensation cost is measured at the date of grant based on the calculated fair value of the award and is generally recognized on a straight-line basis over the vesting period of the equity grant. The compensation cost is determined based on awards ultimately expected to vest; therefore, we have reduced the cost for estimated forfeitures based on historical forfeiture rates. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods to reflect actual forfeitures. There were no stock-based compensation costs capitalized as the amounts were not material.

Restricted Stock

We may grant to our officers, directors and key employees RSUs, where each unit represents the right to receive, at the end of a stipulated period, one unrestricted share of stock with no exercise price. Certain RSUs are subject to cliff or graded vesting, generally ranging over a period of three years, or over a one year period for non-employee directors. Cash dividend equivalents are accumulated on RSUs and are payable upon vesting of the awards. We determine the fair value of RSUs based on the market price of our common stock on the date of grant.

The following table presents the changes in RSUs outstanding and related information (in thousands, except per unit prices):

	Number of Units	Weighted Average Grant Date Fair Value Per Unit
Unvested balance at December 31, 2021	16,035	$ 21.50
Granted	7,203	27.90
Vested	(7,719)	21.99
Forfeited	(1,177)	23.59
Unvested balance at December 31, 2022	14,342	$ 24.31

In 2022, the total intrinsic value of RSUs vested (defined as the value of shares awarded based on the price of our common stock at vesting date) was $210 million and unvested RSUs was $424 million. The total grant date fair value of RSUs vested in 2022 was $170 million. As of December 31, 2022, there was $181 million of total unrecognized compensation cost related to unvested RSUs, which is expected to be recognized over a weighted average period of 1.77 years.

Performance Share Units

We may grant PSUs to certain officers and key employees. The PSUs are stock-based awards tied to predefined company metrics and total shareholder return ("TSR"). PSUs generally cliff vest after a service period of three years. Cash dividend equivalents are accumulated on certain PSUs and are payable upon vesting of the awards. The fair value of the awards determined for the predefined company metrics are based on the market price of our common stock on the date of grant. The fair value of the TSR awards are determined based on a Monte Carlo simulation method.

The following table presents the changes in PSUs outstanding and related information (in thousands, except per unit prices):

	Number of Units	Weighted Average Grant Date Fair Value Per Unit
Unvested balance at December 31, 2021	3,702	$ 22.57
Granted	1,380	30.76
Vested	(1,268)	22.70
Forfeited	(290)	24.64
Unvested balance at December 31, 2022	3,525	$ 25.56

The total intrinsic value of PSUs vested and unvested, (defined as the value of the shares awarded at the year-end market price) was $44 million and $104 million, respectively, as of December 31, 2022. The total grant date fair value of PSUs vested in 2022 was $29 million. Total unrecognized compensation cost related to unvested PSUs, which is expected to be recognized over a weighted average period of 1.69 years, was $34 million as of December 31, 2022.

Stock Options

We previously granted stock options to our officers, directors and key employees. Stock options generally vest in equal amounts over a vesting period of three years provided that the employee has remained continuously employed by the Company through such vesting date. We have not granted stock options to officers, directors, or key employees since 2019.

The following table presents the changes in stock options outstanding and related information (in thousands, except per option prices):

	Number of Options	Weighted Average Exercise Price Per Option
Outstanding at December 31, 2021	5,249	$ 31.25
Exercised	(1,661)	25.82
Expired	(681)	36.97
Outstanding and exercisable at December 31, 2022	2,907	$ 33.02

The weighted average remaining contractual term for options outstanding and options exercisable at December 31, 2022 was 4.3 years. The maximum contractual term of options outstanding is 6.1 years.

There were 530 thousand, 850 thousand and 1,553 thousand options that vested in 2022, 2021 and 2020, respectively. The total fair value of options vested was $3 million, $7 million and $14 million, in 2022, 2021 and 2020, respectively. Unrecognized compensation cost related to unvested stock options was immaterial as of December 31, 2022.

The total intrinsic value of stock options exercised (defined as the amount by which the market price of our common stock on the date of exercise exceeds the exercise price of the option) in 2022 was $12 million. The total intrinsic value of stock options outstanding and options exercisable at December 31, 2022 was $5 million. The intrinsic value of stock options outstanding is calculated as the amount by which the quoted price of $29.53 of our common stock as of the end of 2022 exceeds the exercise price of the options.

Employee Stock Purchase Plan

The ESPP provides for eligible employees to purchase shares of Class A common stock quarterly on an after-tax basis in an amount between 1% and 20% of their annual pay at a 15% discount of the fair market value of our Class A common stock at the end of each quarterly offering period. An employee may not purchase more than $3,000 in any of the three-month measurement periods described above or $12,000 annually.

A total of 21.5 million shares of Class A common stock are authorized for issuance, and at December 31, 2022, there were 10.5 million shares of Class A common stock reserved for future issuance.

NOTE 13. EQUITY

COMMON STOCK

We are authorized to issue 2 billion shares of Class A common stock, 1.25 billion shares of Class B common stock and 50 million shares of preferred stock each of which have a par value of $0.0001 per share. The number of shares of Class A common stock and Class B common stock outstanding at December 31, 2022 is 1,006 million and nil, respectively. We have not issued any preferred stock. Each share of Class A and Class B common stock and the associated membership interest in BHH LLC form a paired interest. While each share of Class B common stock has equal voting rights to a share of Class A common stock, it has no economic rights, meaning holders of Class B common stock have no right to dividends or any assets in the event of liquidation of the Company. Class B common stock is entitled through their ownership of BHH LLC common units ("LLC Units") to receive distributions on an equal amount of any dividend paid by the Company. GE previously owned all the issued and outstanding

Class B common stock, however, during the fourth quarter of 2022, GE completed the exchange of their remaining Class B common stock and as of December 31, 2022, GE no longer owns any Class B common stock nor the associated common units in BHH LLC.

In 2022, our Board of Directors authorized an increase to our repurchase program of $2 billion of additional Class A common stock and LLC units for each of the Company and BHH LLC, respectively, increasing its existing repurchase authorization of $2 billion to $4 billion. We expect to fund the repurchase program from cash generated from operations, and we expect to make share repurchases from time to time subject to the Company's capital plan, market conditions, and other factors, including regulatory restrictions. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date. In 2022 and 2021, the Company and BHH LLC repurchased and canceled 29.7 million and 17.6 million shares of Class A common stock and LLC Units, each for $828 million and $434 million, representing an average price per share of $27.91 and $24.63, respectively. As of December 31, 2022, the Company and BHH LLC had authorization remaining to repurchase up to approximately $2.8 billion of its Class A common stock and LLC Units, respectively.

The following table presents the changes in the number of shares outstanding (in thousands):

	2022		2021	
	Class A Common Stock	Class B Common Stock	Class A Common Stock	Class B Common Stock
Balance at beginning of year	909,142	116,548	723,999	311,433
Issue of shares upon vesting of restricted stock units [1]	6,316	—	4,968	—
Issue of shares on exercises of stock options [1]	1,632	—	408	—
Issue of shares for employee stock purchase plan	2,017	—	2,510	—
Exchange of Class B common stock for Class A common stock [2]	116,548	(116,548)	194,885	(194,885)
Repurchase and cancellation of Class A common stock	(29,694)	—	(17,628)	—
Balance at end of year	1,005,960	—	909,142	116,548

[1] Share amounts reflected above are net of shares withheld to satisfy the employee's tax withholding obligation.

[2] When shares of Class B common stock, together with associated LLC Units, are exchanged for shares of Class A common stock pursuant to the Exchange Agreement, such shares of Class B common stock are canceled.

During 2022 and 2021, the Company declared and paid aggregate regular dividends of $0.73 and $0.72 per share, respectively, to holders of record of the Company's Class A common stock.

ACCUMULATED OTHER COMPREHENSIVE LOSS ("AOCL")

The following table presents the changes in accumulated other comprehensive loss, net of tax:

	Foreign Currency Translation Adjustments	Cash Flow Hedges	Benefit Plans	Accumulated Other Comprehensive Loss
Balance at December 31, 2020	$ (1,464)	$ 3	$ (317)	$ (1,778)
Other comprehensive income (loss) before reclassifications	(344)	(11)	135	(220)
Amounts reclassified from accumulated other comprehensive loss	39	(7)	38	70
Deferred taxes	—	2	(3)	(1)
Other comprehensive income (loss)	(305)	(16)	170	(151)
Less: Other comprehensive income (loss) attributable to noncontrolling interests	(38)	(3)	25	(16)
Less: Reallocation of AOCL based on change in ownership of BHH LLC Units	394	—	78	472
Balance at December 31, 2021	(2,125)	(10)	(250)	(2,385)
Other comprehensive income (loss) before reclassifications	(294)	(1)	2	(293)
Amounts reclassified from accumulated other comprehensive loss	25	3	27	55
Deferred taxes	—	—	(43)	(43)
Other comprehensive income (loss)	(269)	2	(14)	(281)
Less: Other comprehensive loss attributable to noncontrolling interests	(3)	—	—	(3)
Less: Reallocation of AOCL based on change in ownership of BHH LLC Units	275	1	32	308
Balance at December 31, 2022	$ (2,666)	$ (9)	$ (296)	$ (2,971)

The amounts reclassified from accumulated other comprehensive loss during the years ended December 31, 2022 and 2021 represent (i) gains (losses) reclassified on cash flow hedges when the hedged transaction occurs, (ii) the amortization of net actuarial gain (loss), prior service credit, settlements, and curtailments which are included in the computation of net periodic pension cost (see "Note 10. Employee Benefit Plans" for additional details), and (iii) the release of foreign currency translation adjustments (see "Note 20. Restructuring, Impairment and Other" for additional details).

NOTE 14. EARNINGS PER SHARE

Basic and diluted net income (loss) per share of Class A common stock is presented below:

(In millions, except per share amounts)	2022	2021	2020
Net loss	$ (578)	$ (330)	$ (15,761)
Less: Net income (loss) attributable to noncontrolling interests	23	(111)	(5,821)
Net loss attributable to Baker Hughes Company	$ (601)	$ (219)	$ (9,940)
Weighted average shares outstanding:			
Class A basic & diluted	987	824	675
Net loss per share attributable to common stockholders:			
Class A basic & diluted	$ (0.61)	$ (0.27)	$ (14.73)

Shares of our Class B common stock do not share in earnings or losses of the Company and are not considered in the calculation of basic or diluted earnings per share ("EPS") above. As such, separate presentation of basic and diluted EPS of Class B under the two class method has not been presented. The basic weighted average shares outstanding for our Class B common stock were 30 million, 215 million, and 359 million for the years ended December 31, 2022, 2021 and 2020, respectively. The basic weighted average shares outstanding for both our Class A and Class B common stock combined were 1,017 million, 1,039 million, and 1,034 million for the years ended December 31, 2022, 2021 and 2020, respectively.

An exchange agreement existed between GE, BHH LLC, and us, ("Exchange Agreement") where GE was entitled to exchange its holding in our Class B common stock, and associated LLC Units, for Class A common stock on a one-for-one basis (subject to adjustment in accordance with the terms of the Exchange Agreement) or, at the option of Baker Hughes, an amount of cash equal to the aggregate value (determined in accordance with the terms of the Exchange Agreement) of the shares of Class A common stock that would have otherwise been received by GE in the exchange. In computing the dilutive effect, if any, that the aforementioned exchange would have on net income (loss) per share, net income (loss) attributable to holders of Class A common stock would be adjusted due to the elimination of the noncontrolling interests associated with the Class B common stock (including any tax impact). For the three years ended December 31, 2022, 2021 and 2020, such exchange is not reflected in diluted net income (loss) per share as the assumed exchange is not dilutive. As of December 31, 2022, GE no longer holds any of our Class B common stock and associated LLC Units. See "Note 13. Equity" for further information.

For the years ended December 31, 2022, 2021, and 2020 we excluded all outstanding equity awards from the computation of diluted net loss per share because their effect is antidilutive.

NOTE 15. FINANCIAL INSTRUMENTS

RECURRING FAIR VALUE MEASUREMENTS

Our assets and liabilities measured at fair value on a recurring basis consist of derivative instruments and investment securities.

	2022				2021			
	Level 1	Level 2	Level 3	Net Balance	Level 1	Level 2	Level 3	Net Balance
Assets								
Derivatives	$ —	$ 18	$ —	$ 18	$ —	$ 29	$ —	$ 29
Investment securities	748	—	—	748	1,033	—	8	1,041
Total assets	748	18	—	766	1,033	29	8	1,070
Liabilities								
Derivatives	—	(86)	—	(86)	—	(49)	—	(49)
Total liabilities	$ —	$ (86)	$ —	$ (86)	$ —	$ (49)	$ —	$ (49)

There were no transfers between Level 1, 2 and 3 during 2022.

The following table provides a reconciliation of recurring Level 3 fair value measurements for investment securities:

	2022	2021
Balance at beginning of year	$ 8	$ 30
Proceeds at maturity	(8)	(22)
Balance at end of year	$ —	$ 8

The most significant unobservable input used in the valuation of our Level 3 instruments is the discount rate. Discount rates are determined based on inputs that market participants would use when pricing investments, including credit and liquidity risk. An increase in the discount rate would result in a decrease in the fair value of our

investment securities. There are no unrealized gains or losses recognized in the consolidated statements of income (loss) on account of any Level 3 instrument still held at the reporting date.

	2022				2021			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Investment securities [1]								
Non-U.S. debt securities	$ —	$ —	$ —	$ —	$ 8	$ —	$ —	$ 8
Equity securities	557	191	—	748	579	455	(1)	1,033
Total	$ 557	$ 191	$ —	$ 748	$ 587	$ 455	$ (1)	$ 1,041

[1] Gains (losses) recorded to earnings related to these securities were $(271) million, $(843) million and $1.4 billion for the years ended December 31, 2022, 2021, and 2020, respectively.

As of December 31, 2022 and 2021, our equity securities with readily determinable fair values are comprised primarily of our investment in C3.ai, Inc. ("C3 AI") of $97 million and $270 million, respectively, and ADNOC Drilling of $649 million and $741 million, respectively. We remeasured our investments to fair value based on quoted prices in active markets.

At December 31, 2022 and 2021, our investment in C3 AI consists of 8,650,476 shares of Class A common stock ("C3 AI Shares"). There were no C3 AI Shares sold during 2022. During 2021, we sold approximately 2.2 million of our C3 AI shares and received proceeds of $145 million. For the years ended December 31, 2022 and 2021, we recorded unrealized losses of $174 million and $1,085 million, respectively, from the net change in fair value of our investment in C3 AI, which is reported in “Other non-operating income (loss), net” in our consolidated statements of income (loss).

At December 31, 2022 and 2021, our investment in ADNOC Drilling consists of 800,000,000 shares. For the years ended December 31, 2022 and 2021, we recorded an unrealized loss of $91 million and an unrealized gain of $241 million, respectively, from the net change in fair value of our investment in ADNOC Drilling, which is reported in “Other non-operating income (loss), net” in our consolidated statements of income (loss).

As of December 31, 2022 and 2021, $748 million and $1,041 million of total investment securities are recorded in "All other current assets," respectively.

FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

Our financial instruments include cash and equivalents, current receivables, certain investments, accounts payable, short and long-term debt, and derivative financial instruments. Except for long-term debt, the estimated fair value of these financial instruments at December 31, 2022 and 2021 approximates their carrying value as reflected in our consolidated financial statements. For further information on the fair value of our debt, see "Note 9. Borrowings."

DERIVATIVES AND HEDGING

We use derivatives to manage our risks and do not use derivatives for speculation. The table below summarizes the fair value of all derivatives, including hedging instruments and embedded derivatives.

	2022		2021	
	Assets	(Liabilities)	Assets	(Liabilities)
Derivatives accounted for as hedges				
Currency exchange contracts	$ 1	$ —	$ —	$ (3)
Interest rate swap contracts	—	(69)	—	(10)
Derivatives not accounted for as hedges				
Currency exchange contracts and other	17	(17)	29	(36)
Total derivatives	$ 18	$ (86)	$ 29	$ (49)

Derivatives are classified in the consolidated statements of financial position depending on their respective maturity date. As of December 31, 2022 and 2021, $17 million and $28 million of derivative assets are recorded in "All other current assets" and $1 million and $1 million are recorded in "All other assets" of the consolidated statements of financial position, respectively. As of December 31, 2022 and 2021, $17 million and $39 million of derivative liabilities are recorded in "All other current liabilities" and $69 million and $10 million are recorded in "All other liabilities" of the consolidated statements of financial position, respectively.

FORMS OF HEDGING

Cash flow hedges

We use cash flow hedging primarily to reduce or eliminate the effects of foreign exchange rate changes on purchase and sale contracts. Accordingly, the vast majority of our derivative activity in this category consists of currency exchange contracts. Changes in the fair value of cash flow hedges are recorded in a separate component of equity (referred to as "Accumulated Other Comprehensive Income", or "AOCI") and are recorded in earnings in the period in which the hedged transaction occurs. See "Note 13. Equity" for further information on activity in AOCI for cash flow hedges. The maximum term of cash flow hedges that hedge forecasted transactions was less than one year at December 31, 2022 and 2021.

Fair Value Hedges

All of our long-term debt is comprised of fixed rate instruments. We are subject to interest rate risk on our debt portfolio and may use interest rate swaps to manage the economic effect of fixed rate obligations associated with certain debt. Under these arrangements, we agree to exchange, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional principal amount.

As of December 31, 2022 and 2021, we had interest rate swaps with a notional amount of $500 million that converted a portion of our $1,350 million aggregate principal amount of 3.337% fixed rate Senior Notes due 2027 into a floating rate instrument with an interest rate based on a LIBOR index as a hedge of its exposure to changes in fair value that are attributable to interest rate risk. We concluded that the interest rate swap met the criteria necessary to qualify for the short-cut method of hedge accounting, and as such, an assumption is made that the change in the fair value of the hedged debt, due to changes in the benchmark rate, exactly offsets the change in the fair value of the interest rate swaps. Therefore, the derivative is considered to be effective at achieving offsetting changes in the fair value of the hedged liability, and no ineffectiveness is recognized. The mark-to-market of this fair value hedge is recorded as gains or losses in interest expense and is equally offset by the gain or loss of the underlying debt instrument, which also is recorded in interest expense.

Economic Hedges

These derivatives are not designated as hedges from an accounting standpoint (and therefore we do not apply hedge accounting to the relationship), but otherwise serve the same economic purpose as other hedging arrangements. Economic hedges are marked to fair value through earnings each period.

The following table summarizes the gains (losses) from derivatives not designated as hedges in the consolidated statements of income (loss):

Derivatives not designated as hedging instruments	Consolidated statements of income (loss) caption	2022	2021	2020
Currency exchange contracts [1]	Cost of goods sold	$ 24	$ (9)	$ 59
Currency exchange contracts	Cost of services sold	18	5	62
Commodity derivatives	Cost of goods sold	(6)	1	2
Other derivatives	Other non-operating income (loss), net	2	—	8
Total [2]		$ 38	$ (3)	$ 131

[1] Excludes a loss of nil, gains of $7 million and losses of $14 million on embedded derivatives for the years ended December 31, 2022, 2021 and 2020, respectively, as embedded derivatives are not considered to be hedging instruments in our economic hedges.

[2] The effect on earnings of derivatives not designated as hedges is substantially offset by the change in fair value of the economically hedged items in the current and future periods.

NOTIONAL AMOUNT OF DERIVATIVES

The notional amount of a derivative is the number of units of the underlying. A substantial majority of the outstanding notional amount of $3.8 billion and $3.9 billion at December 31, 2022 and 2021, respectively, is related to hedges of anticipated sales and purchases in foreign currency, commodity purchases, changes in interest rates, and contractual terms in contracts that are considered embedded derivatives and for intercompany borrowings in foreign currencies. We generally disclose derivative notional amounts on a gross basis to indicate the total counterparty risk. Where we have gross purchase and sale derivative contracts for a particular currency, we look to execute these contracts with the same counterparty to reduce our exposure. The notional amount of these derivative instruments do not generally represent cash amounts exchanged by us and the counterparties, but rather the nominal amount upon which changes in the value of the derivatives are measured.

COUNTERPARTY CREDIT RISK

Fair values of our derivatives can change significantly from period to period based on, among other factors, market movements and changes in our positions. We manage counterparty credit risk (the risk that counterparties will default and not make payments to us according to the terms of our agreements) on an individual counterparty basis.

NOTE 16. REVENUE RELATED TO CONTRACTS WITH CUSTOMERS

DISAGGREGATED REVENUE

We disaggregate our OFSE and IET segment revenue from contracts with customers by product lines. See "Note 17. Segment Information" for further details.

Total Revenue	2022	2021	2020
Well Construction	$ 3,854	$ 3,301	$ 3,257
Completions, Intervention & Measurements	3,559	3,106	3,614
Production Solutions	3,587	3,135	3,269
Subsea & Surface Pressure Systems	2,230	2,486	2,844
Oilfield Services & Equipment	**13,229**	**12,028**	**12,984**
Gas Technology - Equipment	2,560	2,916	2,421
Gas Technology - Services	2,441	2,700	2,475
Total Gas Technology	5,002	5,616	4,896
Condition Monitoring	545	562	581
Inspection	995	949	865
Pumps, Valves & Gears	826	801	809
PSI & Controls	559	546	570
Total Industrial Technology	2,925	2,857	2,824
Industrial & Energy Technology	**7,926**	**8,473**	**7,721**
Total	**$ 21,156**	**$ 20,502**	**$ 20,705**

In addition, management views OFSE segment revenue from contracts with customers by geographic region:

Oilfield Services & Equipment Geographic Revenue	2022	2021	2020
North America	$ 3,764	$ 2,904	$ 3,107
Latin America	2,099	1,681	1,447
Europe/CIS/Sub-Saharan Africa	2,483	2,865	2,846
Middle East/Asia	4,883	4,579	5,584
Oilfield Services & Equipment	**$ 13,229**	**$ 12,028**	**$ 12,984**

REMAINING PERFORMANCE OBLIGATIONS

As of December 31, 2022 and 2021, the aggregate amount of the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations was $27.8 billion and $23.6 billion, respectively. As of December 31, 2022, we expect to recognize revenue of approximately 57%, 70% and 88% of the total remaining performance obligations within 2, 5, and 15 years, respectively, and the remaining thereafter. Contract modifications could affect both the timing to complete as well as the amount to be received as we fulfill the related remaining performance obligations.

NOTE 17. SEGMENT INFORMATION

The Company's segments are determined as those operations whose results are reviewed regularly by the chief operating decision maker ("CODM"), who is our Chief Executive Officer, in deciding how to allocate resources and assess performance. Each segment is organized and managed based upon the nature of our markets and customers and consist of similar products and services.

In the third quarter of 2022, we announced a reorganization of the Company to create two operating segments focused on different growth profiles and designed to simplify our operations and enhance profitability. Effective

October 1, 2022, the two operating segments, also our reportable segments, are Oilfield Services & Equipment (“OFSE”) and Industrial & Energy Technology (“IET”). The financial information for 2021 and 2020 have been recast to conform to the new segment presentation.

We previously operated the Company through four segments. Through this reorganization, we merged the Oilfield Services segment with the Oilfield Equipment segment to form the OFSE segment, and we merged the Turbomachinery & Process Solutions segment with the Digital Solutions segment to form the IET segment. We believe the new structure will allow each segment to better adapt to the quickly changing energy markets, and by removing certain management layers, will upgrade a number of key operational processes across our businesses and enhance their economies of scale. The following is a description of each segment’s business operations:

Oilfield Services & Equipment provides products and services for onshore and offshore oilfield operations across the lifecycle of a well, ranging from exploration, appraisal, and development, to production, rejuvenation, and decommissioning. OFSE is organized into four product lines: *Well Construction,* which encompasses drilling services, drill bits, and drilling & completions fluids; *Completions, Intervention, and Measurements*, which encompasses well completions, pressure pumping, and wireline services; *Production Solutions*, which spans artificial lift systems and oilfield & industrial chemicals, and *Subsea & Surface Pressure Systems*, which encompasses subsea projects services and drilling systems, surface pressure control, and flexible pipe systems. Beyond its traditional oilfield concentration, OFSE is expanding its capabilities and technology portfolio to meet the challenges of a net-zero future. These efforts include expanding into new energy areas such as geothermal and CCUS, strengthening its digital architecture and addressing key energy market themes.

Industrial & Energy Technology provides technology solutions and services for mechanical-drive, compression and power-generation applications across the energy industry, including oil and gas, liquefied natural gas ("LNG") operations, downstream refining and petrochemical markets, as well as lower carbon solutions to broader energy and industrial sectors. IET also provides equipment, software, and services that serve a wide range of industries including petrochemical and refining, nuclear, aviation, automotive, mining, cement, metals, pulp and paper, and food and beverage. IET is organized into six product lines - *Gas Technology Equipment* and *Gas Technology Services*, collectively referred to as Gas Technology, and *Condition Monitoring, Inspection, Pumps Valves & Gears,* and *PSI & Controls*, collectively referred to as Industrial Technology.

Segment revenue and operating income are determined based on the internal performance measures used by the CODM to assess the performance of each segment in a financial period. The performance of our operating segments is evaluated based on segment operating income (loss), which is defined as income (loss) before income taxes before the following: net interest expense, net other non-operating income (loss), corporate expenses, restructuring, impairment and other charges, separation related costs, inventory impairments, goodwill impairments and certain gains and losses not allocated to the operating segments. Consistent accounting policies have been applied by all segments, for all reporting periods. Intercompany revenue and expense amounts have been eliminated within each segment to report on the basis that management uses internally for evaluating segment performance. Summarized financial information for the Company's segments is shown in the following tables.

Segment revenue		**2022**		**2021**		**2020**
Oilfield Services & Equipment	$	13,229	$	12,028	$	12,984
Industrial & Energy Technology		7,926		8,473		7,721
Total	$	21,156	$	20,502	$	20,705

Segment income (loss) before income taxes	2022	2021	2020
Oilfield Services & Equipment	$ 1,201	$ 830	$ 506
Industrial & Energy Technology	1,135	1,177	998
Total segment	2,336	2,006	1,504
Corporate	(416)	(429)	(464)
Inventory impairment [1]	(31)	—	(246)
Goodwill impairment	—	—	(14,773)
Restructuring, impairment and other	(682)	(209)	(1,866)
Separation related	(23)	(60)	(134)
Other non-operating income (loss), net	(911)	(583)	1,040
Interest expense, net	(252)	(299)	(264)
Income (loss) before income taxes	$ 22	$ 428	$ (15,202)

[1] Inventory impairments are reported in the "Cost of goods sold" caption of the consolidated statements of income (loss).

The following table presents total assets by segment at December 31:

Segment assets	2022	2021
Oilfield Services & Equipment	$ 17,181	$ 17,950
Industrial & Energy Technology	12,286	11,480
Total segment	29,467	29,430
Corporate and eliminations [1]	4,714	5,878
Total	$ 34,181	$ 35,308

[1] The assets in Corporate and eliminations consist primarily of cash, the Baker Hughes trade name, our investment in C3 AI, certain facilities, and certain other noncurrent assets. It also includes adjustments to eliminate intercompany investments and receivables reflected within the total assets of each of our reportable segments.

The following table presents depreciation and amortization by segment:

Segment depreciation and amortization	2022	2021	2020
Oilfield Services & Equipment	$ 845	$ 874	$ 1,072
Industrial & Energy Technology	197	208	216
Total Segment	1,042	1,082	1,288
Corporate	19	23	29
Total	$ 1,061	$ 1,105	$ 1,317

The following table presents capital expenditures by segment:

Segment capital expenditures	2022	2021	2020
Oilfield Services & Equipment	$ 791	$ 659	$ 743
Industrial & Energy Technology	183	182	196
Total Segment	974	841	939
Corporate	15	15	35
Total	$ 989	$ 856	$ 974

The following table presents consolidated revenue based on the location to where the product is shipped or the services are performed. Other than the U.S., no other country accounted for more than 10% of our consolidated revenue during the periods presented.

Revenue	2022	2021	2020
U.S.	$ 4,942	$ 4,497	$ 4,638
Non-U.S.	16,214	16,005	16,067
Total	$ 21,156	$ 20,502	$ 20,705

The following table presents net property, plant and equipment by its geographic location at December 31:

Property, plant and equipment - net	2022	2021
U.S.	$ 1,554	$ 1,651
Non-U.S.	2,984	3,226
Total	$ 4,538	$ 4,877

NOTE 18. RELATED PARTY TRANSACTIONS

RELATED PARTY TRANSACTIONS WITH GE

During the second quarter of 2022, GE's ownership interest in us and BHH LLC was reduced to less than 5%. As a result, considering all aspects of our relationship with GE, as of June 30, 2022, we no longer consider GE a related party. Below we provide our disclosures for purchases and sales with GE through June 30, 2022.

We had purchases with GE and its affiliates of $293 million during the six months ended June 30, 2022, and $716 million and $804 million during the years ended December 31, 2021 and 2020, respectively. In addition, we sold products and services to GE and its affiliates for $83 million during the six months ended June 30, 2022, and, $185 million and $212 million during the years ended December 31, 2021 and 2020, respectively.

OTHER RELATED PARTIES

We have an aeroderivative joint venture ("Aero JV") we formed with GE in 2019. The Aero JV is jointly controlled by GE and us, each with ownership interest of 50%, and therefore, we do not consolidate the JV. We had purchases with the Aero JV of $528 million, $603 million, and $642 million during the years ended December 31, 2022, 2021 and 2020, respectively. We have $110 million and $86 million of accounts payable at December 31, 2022 and 2021, respectively, for products and services provided by the Aero JV in the ordinary course of business. Sales of products and services and related receivables with the Aero JV were immaterial for the years ended December 31, 2022, 2021 and 2020.

NOTE 19. COMMITMENTS AND CONTINGENCIES

LITIGATION

We are subject to legal proceedings arising in the ordinary course of our business. Because legal proceedings are inherently uncertain, we are unable to predict the ultimate outcome of such matters. We record a liability for those contingencies where the incurrence of a loss is probable and the amount can be reasonably estimated. Based on the opinion of management, we do not expect the ultimate outcome of currently pending legal proceedings to have a material adverse effect on our results of operations, financial position or cash flows. However, there can be no assurance as to the ultimate outcome of these matters.

In January 2013, INEOS and Naphtachimie initiated expertise proceedings in Aix-en-Provence, France arising out of a fire at a chemical plant owned by INEOS in Lavera, France, which resulted in a 15-day plant shutdown and destruction of a steam turbine, which was part of a compressor train owned by Naphtachimie. The most recent quantification of the alleged damages is €250 million. Two of the Company's subsidiaries (and 17 other companies)

were notified to participate in the proceedings. On December 12, 2022, the expert issued his final report, which found no liability on the part of the Company's subsidiaries.

On July 31, 2018, International Engineering & Construction S.A. ("IEC") initiated arbitration proceedings in New York administered by the International Center for Dispute Resolution ("ICDR") against the Company and its subsidiaries arising out of a series of sales and service contracts entered between IEC and the Company's subsidiaries for the sale and installation of LNG plants and related power generation equipment in Nigeria ("Contracts"). Prior to the filing of the IEC Arbitration, the Company's subsidiaries made demands for payment due under the Contracts. On August 15, 2018, the Company's subsidiaries initiated a separate demand for ICDR arbitration against IEC for claims of additional costs and amounts due under the Contracts. On October 10, 2018, IEC filed a Petition to Compel Arbitration in the United States District Court for the Southern District of New York against the Company seeking to compel non-signatory Baker Hughes entities to participate in the arbitration filed by IEC. The complaint is captioned International Engineering & Construction S.A. et al. v. Baker Hughes, a GE company, LLC, et al. No. 18-cv-09241 ("S.D.N.Y 2018"); this action was dismissed by the Court on August 13, 2019. In the arbitration, IEC alleges breach of contract and other claims against the Company and its subsidiaries and seeks recovery of alleged compensatory damages, in addition to reasonable attorneys' fees, expenses and arbitration costs. On March 15, 2019, IEC amended its request for arbitration to alleged damages of $591 million of lost profits plus unspecified additional costs based on alleged non-performance of the contracts in dispute. The arbitration hearing was held from December 9, 2019 to December 20, 2019. On March 3, 2020, IEC amended their damages claim to $700 million of alleged loss cash flow or, in the alternative, $244.9 million of lost profits and various costs based on alleged non-performance of the contracts in dispute, and in addition $4.8 million of liquidated damages, $58.6 million in take-or-pay costs of feed gas, and unspecified additional costs of rectification and take-or-pay future obligations, plus unspecified interest and attorneys' fees. On May 3, 2020, the arbitration panel dismissed IEC's request for take-or-pay damages. On May 29, 2020, IEC quantified their claim for legal fees at $14.2 million and reduced their alternative claim from $244.9 million to approximately $235 million. The Company and its subsidiaries have contested IEC's claims and are pursuing claims for compensation under the contracts. On October 31, 2020, the ICDR notified the arbitration panel's final award, which dismissed the majority of IEC's claims and awarded a portion of the Company's claims. On January 27, 2021, IEC filed a petition to vacate the arbitral award in the Supreme Court of New York, County of New York. On March 5, 2021, the Company filed a petition to confirm the arbitral award, and on March 8, 2021, the Company removed the matter to the United States District Court for the Southern District of New York. On November 16, 2021, the court granted the Company's petition to confirm the award and denied IEC's petition to vacate. During the second quarter of 2022, IEC paid the amounts owed under the arbitration award, which had an immaterial impact on the Company's financial statements. On February 3, 2022, IEC initiated another arbitration proceeding in New York administered by the ICDR against certain of the Company's subsidiaries arising out of the same project which formed the basis of the first arbitration. On March 25, 2022, the Company's subsidiaries initiated a separate demand for ICDR arbitration against IEC for claims of additional costs and amounts due. At this time, we are not able to predict the outcome of these proceedings.

On March 15, 2019 and March 18, 2019, the City of Riviera Beach Pension Fund and Richard Schippnick, respectively, filed in the Delaware Court of Chancery shareholder derivative lawsuits for and on the Company's behalf against GE, the then-current members of the Board of Directors of the Company and the Company as a nominal defendant, related to the decision to (i) terminate the contractual prohibition barring GE from selling any of the Company's shares before July 3, 2019; (ii) repurchase $1.5 billion in the Company's stock from GE; (iii) permit GE to sell approximately $2.5 billion in the Company's stock through a secondary offering; and (iv) enter into a series of other agreements and amendments that will govern the ongoing relationship between the Company and GE (collectively, the "2018 Transactions"). The complaints in both lawsuits allege, among other things, that GE, as the Company's controlling stockholder, and the members of the Company's Board of Directors breached their fiduciary duties by entering into the 2018 Transactions. The relief sought in the complaints includes a request for a declaration that the defendants breached their fiduciary duties, that GE was unjustly enriched, disgorgement of profits, an award of damages sustained by the Company, pre- and post-judgment interest, and attorneys' fees and costs. On March 21, 2019, the Chancery Court entered an order consolidating the Schippnick and City of Riviera Beach complaints under consolidated C.A. No. 2019-0201-AGB, styled in re Baker Hughes, a GE company derivative litigation. On May 10, 2019, Plaintiffs voluntarily dismissed their claims against the members of the Company's Conflicts Committee, and on May 15, 2019, Plaintiffs voluntarily dismissed their claims against former Baker Hughes director Martin Craighead. On June 7, 2019, the defendants and nominal defendant filed a motion to

dismiss the lawsuit on the ground that the derivative plaintiffs failed to make a demand on the Company's Board of Directors to pursue the claims itself, and GE and the Company's Board of Directors filed a motion to dismiss the lawsuit on the ground that the complaint failed to state a claim on which relief can be granted. The Chancery Court denied the motions on October 8, 2019, except granted GE's motion to dismiss the unjust enrichment claim against it. On October 31, 2019, the Company's Board of Directors designated a Special Litigation Committee and empowered it with full authority to investigate and evaluate the allegations and issues raised in the derivative litigation. The Special Litigation Committee filed a motion to stay the derivative litigation during its investigation. On December 3, 2019, the Chancery Court granted the motion and stayed the derivative litigation until June 1, 2020. On May 20, 2020, the Chancery Court granted an extension of the stay to October 1, 2020, and on September 29, 2020, the Court granted a further extension of the stay to October 15, 2020. On October 13, 2020, the Special Litigation Committee filed its report with the Court. At this time, we are not able to predict the outcome of these claims.

On August 13, 2019, Tri-State Joint Fund filed in the Delaware Court of Chancery, a shareholder class action lawsuit for and on the behalf of itself and all similarly situated public stockholders of BHI against GE, the former members of the Board of Directors of BHI, and certain former BHI Officers alleging breaches of fiduciary duty, aiding and abetting, and other claims in connection with the combination of BHI and the oil and gas business ("GE O&G") of GE ("the Transactions"). On October 28, 2019, City of Providence filed in the Delaware Court of Chancery a shareholder class action lawsuit for and on behalf of itself and all similarly situated public shareholders of BHI against GE, the former members of the Board of Directors of BHI, and certain former BHI Officers alleging substantially the same claims in connection with the Transactions. The relief sought in these complaints include a request for a declaration that Defendants breached their fiduciary duties, an award of damages, pre- and post-judgment interest, and attorneys' fees and costs. The lawsuits have been consolidated, and plaintiffs filed a consolidated class action complaint on December 17, 2019 against certain former BHI officers alleging breaches of fiduciary duty and against GE for aiding and abetting those breaches. The December 2019 complaint omitted the former members of the Board of Directors of BHI, except for Mr. Craighead who also served as President and CEO of BHI. Mr. Craighead and Ms. Ross, who served as Senior Vice President and Chief Financial Officer of BHI, remain named in the December 2019 complaint along with GE. The relief sought in the consolidated complaint includes a declaration that the former BHI officers breached their fiduciary duties and that GE aided and abetted those breaches, an award of damages, pre- and post-judgment interest, and attorneys' fees and costs. On or around February 12, 2020, the defendants filed motions to dismiss the lawsuit on the grounds that the complaint failed to state a claim on which relief could be granted. On or around October 27, 2020, the Chancery Court granted GE's motion to dismiss, and granted in part the motion to dismiss filed by Mr. Craighead and Ms. Ross, thereby dismissing all of the claims against GE and Ms. Ross, and all but one of the claims against Mr. Craighead. At this time, we are not able to predict the outcome of the remaining claim.

On December 11, 2019, BMC Software, Inc. ("BMC") filed a lawsuit in federal court in the Southern District of Texas against Baker Hughes, a GE company, LLC alleging trademark infringement, unfair competition, and unjust enrichment, arising out of the Company's use of its new logo and affiliated branding. On January 1, 2020, BMC amended its complaint to add Baker Hughes Company. The relief sought in the complaint includes a request for injunctive relief, an award of damages (including punitive damages), pre- and post-judgment interest, and attorneys' fees and costs. On or around January 27, 2023, the parties entered into a confidential Settlement Agreement. Any consideration contemplated by the Settlement Agreement is immaterial to the Company's financial statements.

In December 2020, the Company received notice that the SEC was conducting a formal investigation that the Company understands was related to its books and records and internal controls regarding sales of its products and services in projects impacted by U.S. sanctions. The Company cooperated with the SEC and provided requested information. The Company also initiated an internal review with the assistance of external legal counsel regarding internal controls and compliance related to U.S. sanctions requirements. While the Company's review was ongoing, in September 2021, the Company voluntarily informed the Office of Foreign Assets Control ("OFAC") that non-U.S. Baker Hughes affiliates in two foreign countries appear to have received payments, involving U.S. touchpoints, that are subject to debt restrictions pursuant to applicable U.S. sanctions laws. In February 2022, OFAC informed the Company that it has issued a cautionary letter and that it will not pursue a civil monetary penalty or further enforcement action. The cautionary letter reflects OFAC's final enforcement response to the Company's voluntary self-disclosure. The Company provided copies of its correspondence with OFAC to the SEC. On January 12, 2023,

the Company was notified that the SEC had concluded its investigation and does not intend to recommend an enforcement action against the Company.

We insure against risks arising from our business to the extent deemed prudent by our management and to the extent insurance is available, but no assurance can be given that the nature and amount of that insurance will be sufficient to fully indemnify us against liabilities arising out of pending or future legal proceedings or other claims. Most of our insurance policies contain deductibles or self-insured retentions in amounts we deem prudent and for which we are responsible for payment. In determining the amount of self-insurance, it is our policy to self-insure those losses that are predictable, measurable and recurring in nature, such as claims for automobile liability, general liability and workers compensation.

ENVIRONMENTAL MATTERS

Item 103 of SEC Regulation S-K requires disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that the Company reasonably believes will exceed a specified threshold. The Company uses a threshold of $1 million for such proceedings. Applying this threshold, there are no environmental matters to disclose for this period.

Estimated remediation costs are accrued using currently available facts, existing environmental permits, technology and enacted laws and regulations. Our cost estimates are developed based on internal evaluations and are not discounted. Accruals are recorded when it is probable that we will be obligated to pay for environmental site evaluation, remediation or related activities, and such costs can be reasonably estimated. As additional information becomes available, accruals are adjusted to reflect current cost estimates. Ongoing environmental compliance costs, such as obtaining or renewing environmental permits, installation of pollution control equipment and waste disposal are expensed as incurred. Where we have been identified as a potentially responsible party in a U.S. federal or state Comprehensive Environmental Response, Compensation and Liability Act ("Superfund") site, we accrue our share, if known, of the estimated remediation costs of the site. This share is based on the ratio of the estimated volume of waste we contributed to the site to the total volume of waste disposed at the site.

OTHER

In the normal course of business with customers, vendors and others, we have entered into off-balance sheet arrangements, such as surety bonds for performance, letters of credit and other bank issued guarantees. We also provide a guarantee to GE Capital on behalf of a customer who entered into a financing arrangement with GE Capital. Total off-balance sheet arrangements were approximately $4.5 billion at December 31, 2022. It is not practicable to estimate the fair value of these financial instruments. As of December 31, 2022, none of the off-balance sheet arrangements either has, or is likely to have, a material effect on our financial position, results of operations or cash flows. We also had commitments outstanding for purchase obligations for each of the five years in the period ending December 31, 2027 of $1,584 million, $377 million, $267 million, $119 million and $113 million, respectively, and $31 million in the aggregate thereafter.

We sometimes enter into consortium or similar arrangements for certain projects primarily in our OFSE segment. Under such arrangements, each party is responsible for performing a certain scope of work within the total scope of the contracted work, and the obligations expire when all contractual obligations are completed. The failure or inability, financially or otherwise, of any of the parties to perform their obligations could impose additional costs and obligations on us. These factors could result in unanticipated costs to complete the project, liquidated damages or contract disputes.

NOTE 20. RESTRUCTURING, IMPAIRMENT AND OTHER

We recorded restructuring, impairment and other charges of $682 million, $209 million, and $1,866 million during the years ended December 31, 2022, 2021 and 2020, respectively.

RESTRUCTURING AND IMPAIRMENT CHARGES

In 2022, we recorded restructuring and impairment charges of $196 million. In the third quarter of 2022, we announced a restructuring plan in conjunction with a change in our operating segments that was effective October 1, 2022. As a result, we incurred charges primarily related to employee termination expenses driven by actions taken by the Company to facilitate the reorganization into two segments. In addition, property, plant and equipment ("PP&E") impairments and other costs were recorded related to exit activities at specific locations in our OFSE segment to align with our current market outlook and rationalize our manufacturing supply chain footprint. See "Note 17. Segment Information" for further information on the change in segments. We expect to incur additional charges of approximately $100 million in 2023 in connection with our restructuring plan initiated in 2022, and currently expect this plan to come to completion by the end of 2023.

In 2021, we recorded restructuring and impairment charges totaling $138 million. Charges incurred were primarily related to the continuation of our overall strategy to restructure our business, which is designed to optimize our structural costs for the year-over-year change in activity levels and market conditions.

In 2020, in response to the impact on our business from the COVID-19 pandemic and the significant decline in oil and gas prices, we recorded restructuring and impairment charges totaling $903 million. Charges incurred were primarily related to rationalizing certain product lines and restructuring our business to right-size our operations and to address the challenging market conditions in the upstream oil and gas market.

The following table presents the restructuring and impairment charges by the impacted segment, however, these charges are not included in the reported segment results.

	2022	2021	2020
Oilfield Services & Equipment	$ 121	$ 121	$ 800
Industrial & Energy Technology	36	11	89
Corporate	39	6	14
Total	$ 196	$ 138	$ 903

The following table presents restructuring and impairment charges by type:

	2022	2021	2020
Property, plant and equipment	$ 58	$ 7	$ 385
Employee-related termination expenses	121	99	464
Asset relocation costs	3	20	15
Contract termination fees	1	2	23
Other incremental costs	13	10	16
Total	$ 196	$ 138	$ 903

OTHER CHARGES

Other charges included in the "Restructuring, impairment and other" caption in the consolidated statements of income (loss) were $486 million, $71 million, and $963 million for the years ended December 31, 2022, 2021 and 2020, respectively.

In 2022, other charges were primarily associated with our Russia operations. As a result of the ongoing conflict between Russia and Ukraine that began in February of 2022, governments in the U.S., United Kingdom, European Union, and other countries enacted sanctions against Russia and certain Russian interests. On March 19, 2022, we

suspended any new investments in our Russia operations, but continued to comply with applicable laws and regulations as we fulfilled contractual obligations. Over the course of the second quarter of 2022, we closely monitored the developments in Ukraine and Russia and changes to sanctions all of which continued to make ongoing operations increasingly complex and significantly more challenging. As a result, in the second quarter of 2022, we committed to a plan to sell part of our OFSE Russia business. The sale was completed in the fourth quarter of 2022. See “Note 21. Business Dispositions and Acquisitions” for further information. In addition, given that some of our activities are prohibited under applicable sanctions and almost all of our activities are unsustainable in the current environment, we took actions to suspend substantially all of our operational activities related to Russia. These actions resulted in other charges of $334 million recorded in the second quarter of 2022 primarily associated with the suspension of contracts including all our IET LNG contracts, and the impairment of assets consisting primarily of contract assets, PP&E and reserve for accounts receivable. In addition to these charges, we recorded inventory impairments of $31 million primarily in IET as a result of suspending our Russia operations, which are reported in the “Cost of goods sold” caption in the consolidated statements of income (loss).

During 2022, we also recorded other charges of $84 million in our OFSE segment primarily related to the impairment of PP&E and intangibles for the SPS business due to a decrease in the estimated future cash flows driven by a decline in our long-term market outlook for this business, and $68 million in our IET segment primarily related to a write-off of an equity method investment and the release of foreign currency translation adjustments.

In 2021, other charges were primarily related to certain litigation matters in our IET segment and the release of foreign currency translation adjustments for certain restructured product lines in our IET segment.

In 2020, other charges were comprised of intangible asset impairments of $605 million driven by our decision to exit certain businesses primarily in our OFSE segment, other long-lived asset impairments of $216 million ($124 million of intangible assets, $77 million of property, plant and equipment and $15 million of other assets) in our OFSE segment, other charges of $73 million driven by certain litigation matters and the impairment of an equity method investment primarily in corporate and the OFSE segment, and charges related to corporate facility rationalization.

NOTE 21. BUSINESS DISPOSITIONS AND ACQUISITIONS

DISPOSITIONS

We completed several business dispositions over the past three years as described below. Any gain or loss on a business disposition is reported in the "Other non-operating income (loss), net" caption of the consolidated statements of income (loss).

- During the second quarter of 2022, we took actions to suspend substantially all of our operational activities related to Russia across the Company. In addition, we committed to a plan to sell part of our OFSE Russia business, which met the criteria to be classified as held for sale and was measured and reported at the lower of its carrying value or fair value less costs to sell which resulted in a loss before income taxes of $426 million. In November 2022, we completed the sale of part of our OFSE Russia business to local management for a nominal amount, which resulted in the recognition of an additional loss before income taxes of $25 million.

- In October 2021, we closed a transaction with Akastor ASA to create a joint venture company ("JV Company") to deliver global offshore drilling solutions. We contributed our subsea drilling systems business, a division of our OFSE segment, to the JV Company and received as consideration 50% of the shares of the JV Company, cash of $70 million, and a promissory note of $80 million. The transaction resulted in an immaterial gain.

- In October 2020, we completed the sale of our surface pressure control flow business, a non-strategic product line in our OFSE segment that provided surface wellhead and surface tree systems for the onshore market. The sale resulted in a loss before income taxes of $137 million.

- In June 2020, we completed the sale of our rod lift systems ("RLS") business. RLS was part of our OFSE segment and provided rod lift products, technologies, services and solutions to the oil and gas industry. The sale resulted in a loss before income taxes of $216 million.

ACQUISITIONS

- During 2022, we completed several acquisitions for total cash consideration of $767 million, net of cash acquired of $50 million, subject to the finalization of post-closing working capital adjustments. The transactions have been accounted for using the acquisition method of accounting and accordingly, assets acquired and liabilities assumed were recorded at their fair values as of the acquisition date. As a result of these acquisitions, we recorded $458 million of goodwill and $211 million of intangible assets. Pro forma results of operations for these acquisitions have not been presented because the effects of these acquisitions were not material to our consolidated financial statements.

NOTE 22. BUSINESS HELD FOR SALE

The Company classifies assets and liabilities as held for sale (“disposal group”) when management commits to a plan to sell the disposal group and concludes that it meets the relevant criteria. Assets held for sale are measured at the lower of their carrying value or fair value less costs to sell. Any loss resulting from the measurement is recognized in the period the held for sale criteria are met. Conversely, gains are not recognized until the date of sale.

In July 2022, we entered into an agreement with GE to sell Nexus Controls, a business in our IET segment, specializing in scalable industrial controls systems, safety systems, hardware, and software cybersecurity solutions and services. Based on preliminary estimates, the carrying value is expected to approximate the fair value of the business, less costs to sell. We expect to complete the sale in mid-2023 subject to customary conditions, including regulatory approvals.

The following table presents financial information related to the assets and liabilities of our Nexus Controls business classified as held for sale and reported in “All other current assets” and “All other current liabilities” in our consolidated statements of financial position as of December 31, 2022.

Assets and liabilities of business held for sale		Nexus Controls
Assets		
Current receivables	$	59
Inventories		36
Property, plant and equipment		2
Goodwill		230
Other assets		10
Total assets of business held for sale		337
Liabilities		
Accounts payable		30
All other current liabilities		56
Other liabilities		7
Total liabilities of business held for sale		93
Total net assets of business held for sale	$	244

NOTE 23. SUPPLEMENTARY INFORMATION

ALL OTHER CURRENT LIABILITIES

All other current liabilities as of December 31, 2022 and 2021 include $837 million and $955 million, respectively, of employee related liabilities.

ALLOWANCE FOR CREDIT LOSSES

The change in allowance for credit losses is as follows:

	2022	2021
Balance at beginning of year	$ 400	$ 373
Provision	69	111
Write-offs	(34)	(23)
Prior year recoveries	(44)	(39)
Other	(50)	(22)
Balance at end of year	$ 341	$ 400

CASH FLOW DISCLOSURES

Supplemental cash flow disclosures are as follows for the years ended December 31:

	2022	2021	2020
Income taxes paid, net of refunds	$ 498	$ 314	$ 441
Interest paid	$ 291	$ 305	$ 289

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2022, our disclosure controls and procedures (as defined in Rule 15d-15(e) of the Exchange Act) were effective at a reasonable assurance level.

There has been no change in our internal controls over financial reporting during the year ended December 31, 2022 that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information regarding our Code of Conduct and the Code of Ethical Conduct Certificates for our principal executive officer, principal financial officer and principal accounting officer are described in Item 1. Business of this annual report on Form 10-K. Information concerning our directors is set forth in the sections entitled "Proposal No. 1, Election of Directors - Board Nominees for Directors," and "Corporate Governance - Committees of the Board" in our Definitive Proxy Statement for the 2023 Annual Meeting of Shareholders to be filed with the SEC pursuant to the Exchange Act within 120 days of the end of our fiscal year on December 31, 2022 ("Proxy Statement"), which sections are incorporated herein by reference. For information regarding our executive officers, see "Item 1. Business - Executive Officers of Baker Hughes" in this annual report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

Information for this item is set forth in the following section of our Proxy Statement, which section is incorporated herein by reference: "Executive Compensation."

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information concerning security ownership of certain beneficial owners and our management is set forth in the sections entitled "Stock Ownership of Certain Beneficial Owners" and “Stock Ownership of Section 16(a) Director and Executive Officers” in our Proxy Statement, which sections are incorporated herein by reference.

We permit our employees, officers and directors to enter into written trading plans complying with Rule 10b5-1 under the Exchange Act. Rule 10b5-1 provides criteria under which such an individual may establish a prearranged plan to buy or sell a specified number of shares of a company's stock over a set period of time. Persons using such plan must act in good faith with respect to the contract with the broker executing the trades, trading instructions and the trading plan as a whole, and such plan must be established at a time when the individual is not in possession of material, nonpublic information and will be subject to a cooling off period to the initial trade thereunder. If an individual establishes a plan satisfying the requirements of Rule 10b5-1, such individual's subsequent receipt of material, nonpublic information will not prevent transactions under the plan from being executed. Certain of our officers have advised us that they have and may enter into stock sales plans for the sale of shares of our Class A common stock which are intended to comply with the requirements of Rule 10b5-1 of the Exchange Act. In addition, the Company has and may in the future enter into repurchases of our Class A common stock under a plan that complies with Rule 10b5-1 or Rule 10b-18 of the Exchange Act.

Equity Compensation Plan Information

The information in the following table is presented as of December 31, 2022 with respect to shares of our Class A common stock that may be issued under our current and prior LTI Plans (in millions, except per share prices).

Equity Compensation 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)
Shareholder-approved plans	2.9	$ 33.02	27.8
Nonshareholder-approved plans	—	—	—
Subtotal (except for weighted average exercise price)	2.9	33.02	27.8
Employee Stock Purchase Plan	0.5	25.10	10.5
Total	3.4	$ 31.90	38.3

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information for this item is set forth in the sections entitled "Corporate Governance-Director Independence" and "Certain Relationships and Related Party Transactions" in our Proxy Statement, which sections are incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Our independent registered public accounting firm is KPMG LLP, Houston, Texas, Auditor Firm ID: 185.

Information concerning principal accountant fees and services is set forth in the section entitled "Fees Paid to KPMG LLP" in our Proxy Statement, which section is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) List of Documents filed as part of this annual report.

(1) Financial Statements

All financial statements of the Company as set forth under Item 8 of this annual report on Form 10-K.

(2) Financial Statement Schedules

The schedules listed in Reg. 210.5-04 have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

(3) Exhibits

Each exhibit identified below is filed as a part of this annual report. Exhibits designated with an "*" are filed as an exhibit to this annual report on Form 10-K and exhibits designated with an "**" are furnished as an exhibit to this annual report on Form 10-K. Exhibits designated with a "+" are identified as management contracts or compensatory plans or arrangements. Exhibits previously filed are incorporated by reference.

Exhibit Number	Exhibit Description
3.1	Second Amended and Restated Certificate of Incorporation of Baker Hughes Company dated October 17, 2019.
3.2	Fifth Amended and Restated Bylaws of Baker Hughes Company dated January 25, 2023.
4.1	Indenture, dated October 28, 2008, between Baker Hughes Incorporated (as predecessor to Baker Hughes Holdings LLC) and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.2	Second Supplemental Indenture, dated July 3, 2017, to the Indenture dated as of October 28, 2008, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.3	Third Supplemental Indenture, dated December 11, 2017, to the Indenture dated as of October 28, 2008, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.4	Fourth Supplemental Indenture, dated November 7, 2019, to the Indenture dated as of October 28, 2008, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and the Bank of New York Mellon Trust Company, N.A., as Trustee.
4.5	Fifth Supplemental Indenture, dated May 1, 2020 to the Indenture dated as of October 28, 2008, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and The Bank of New York Mellon Trust Company, N.A., as Trustee.
4.6	Sixth Supplemental Indenture, dated December 9, 2021 to the Indenture dated as of October 28, 2008, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.7	Indenture, dated May 15, 1994, between Western Atlas Inc. and The Bank of New York Mellon, as trustee.
4.8	First Supplemental Indenture dated July 3, 2017, to the Indenture dated as of May 15, 1994, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.9	First Supplemental Indenture, dated as of July 3, 2017, to the Indenture dated as of May 15, 1991, among Baker Hughes Holdings LLC, Baker Hughes Co-Obligor, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee.
4.10*	Description of Securities Registered pursuant to Section 12 of the Securities Exchange Act of 1934.
4.11	Form of Stock Certificate for Class A Common Stock of Baker Hughes Company under the Laws of the State of Delaware.
10.1	Transaction Agreement, dated as of February 28, 2019, between Baker Hughes Holdings LLC, General Electric Company and GE Aero Power LLC.

10.2	STDA Side Agreement, dated as of July 31, 2019, between Baker Hughes Holdings LLC and General Electric Company.
10.3	Aero-Derivatives Supply and Technology Development Agreement, dated as of November 13, 2018, between Baker Hughes Holdings LLC and General Electric Company.
10.4	Umbrella Aero-Derivatives IP Agreement, dated as of November 13, 2018, between General Electric Company and Baker Hughes Holdings LLC.
10.5*	TMA Master Settlement Agreement as of February 13, 2023 among General Electric Company, Baker Hughes Company, EHHC Newco, LLC and Baker Hughes Holdings LLC to settle disputes under the Tax Matters Agreement.
10.6	Credit Agreement, dated as of December 10, 2019, among Baker Hughes Holdings LLC, the lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.
10.7	Amended and Restated Limited Liability Company Agreement of Baker Hughes Holdings LLC dated as of April 15, 2020.
10.8+	Amended and Restated Baker Hughes Incorporated 2002 Employee Long-Term Incentive Plan.
10.9+	Amended and Restated Baker Hughes Incorporated 2002 Director & Officer Long-Term Incentive Plan.
10.10+	Form of Baker Hughes Incorporated Nonqualified Stock Option Award Agreement and Terms and Conditions for officers dated 2011.
10.11+	Form of Baker Hughes Incorporated Nonqualified Stock Option Award Agreement and Terms and Conditions for officers dated January 2014.
10.12+	Form of Baker Hughes Incorporated Nonqualified Stock Option Award Agreement and Terms and Conditions for officers June 2014.
10.13+	Baker Hughes Company 2017 Long-Term Incentive Plan.
10.14+	Baker Hughes Company 2021 Long-Term Incentive Plan.
10.15+	Baker Hughes Company Executive Officer Short Term Incentive Compensation Plan as Amended and Restated.
10.16+	Baker Hughes Company Non-Employee Director Deferral Plan as Amended and Restated.
10.17+	Amendment to the Baker Hughes Company Benefits Plans including the Baker Hughes Company 2017 Long-Term Incentive Plan.
10.18+	Baker Hughes Company Executive Severance Program.
10.19+	First Amendment to the Baker Hughes Company Executive Severance Program effective January 1, 2020.
10.20+	Baker Hughes Company Executive Change in Control Severance Plan.
10.21+	Baker Hughes Company Employee Stock Purchase Plan as Amended and Restated.
10.22+	Baker Hughes Company Supplementary Pension Plan as Amended and Restated Effective as of December 31, 2018.
10.23+	Amendment to the Baker Hughes Holdings LLC Sponsored Benefit Plans including the Baker Hughes Company Supplementary Pension Plan.
10.24+	Baker Hughes Company Supplemental Retirement Plan, as amended and restated effective as of January 1, 2020.
10.25+	Baker Hughes Company Form of Indemnification Agreement dated July 2017.
10.26+	Baker Hughes Company Form of Director and Officer Indemnification Agreement dated March 18, 2020.
10.27+	Baker Hughes Company Form of Stock Option Award Agreement dated July 2017.
10.28+	Baker Hughes Company Form of Senior Executive Stock Option Award Agreement dated July 2017.
10.29+	Baker Hughes Company Form of Stock Option Award Agreement dated January 2018.
10.30+	Offer Letter between Baker Hughes Company and Lorenzo Simonelli, dated as of August 1, 2017.
10.31+	Restricted Stock Unit Award Agreement between Baker Hughes Company and Lorenzo Simonelli dated as of June 1, 2018.
10.32+	Baker Hughes Company Form of Stock Option Award Agreement dated January 2019.
10.33+	Baker Hughes Company Form of Restricted Stock Unit Award Agreement (three year ratable vest) dated January 2020.
10.34+	Baker Hughes Company Form of Restricted Stock Unit Award Agreement (three year cliff vest) dated January 2020.
10.35+	Baker Hughes Company Form of ROIC Performance Share Unit Award Agreement dated January 2020.

10.36+	Baker Hughes Company Form of TSR Performance Share Unit Award Agreement dated January 2020.
10.37+	Baker Hughes Company Form of Stock Option Award Agreement dated January 2020.
10.38+	Baker Hughes Company Form of Restricted Stock Unit Award Agreement (three year cliff vest) dated January 2021.
10.39+	Baker Hughes Company Form of Restricted Stock Unit Award Agreement (three year ratable vest) dated January 2021.
10.40+	Baker Hughes Company Form of Performance Share Unit Award Agreement dated January 2021.
10.41+	Form of Transformation Incentive Award Agreement dated January 2021.
10.42+	Baker Hughes Company Form of Executive Officer Restricted Stock Unit Award Agreement (three year ratable vest) dated January 2022.
10.43+	Baker Hughes Company Form of Executive Officer Restricted Stock Unit Award Agreement (three year cliff vest) dated January 2022.
10.44+	Baker Hughes Company Form of Executive Officer Performance Share Unit Award Agreement dated January 2022.
10.45+	Baker Hughes Company Form of Director Stock Unit Award Agreement dated March 2022.
10.46+*	Baker Hughes Company Form of Executive Officer Performance Share Unit Award Agreement dated January 2023.
10.47+*	Baker Hughes Company Form of Restricted Stock Unit Award Agreement (2-year cliff vest for new hires) dated January 2023.
10.48+*	Baker Hughes Company Form of Restricted Stock Unit Award Agreement (2-year ratable vest for new hires) dated January 2023.
10.49+*	Settlement Agreement between Baker Hughes Company and Neil Saunders dated December 20, 2022.
10.50+*	Separation, Transition and Release Agreement between Baker Hughes Company and Brian Worrell dated December 2, 2022.
10.51	Plea Agreement between Baker Hughes Services International, Inc. and the United States Department of Justice filed on April 26, 2007, with the United States District Court of Texas, Houston Division.
21.1*	Subsidiaries of the Company.
23.1*	Consent of KPMG LLP.
31.1**	Certification of Lorenzo Simonelli, President and Chief Executive Officer, furnished pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
31.2**	Certification of Nancy Buese, Chief Financial Officer, furnished pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
32**	Certification of Lorenzo Simonelli, President and Chief Executive Officer, and Nancy Buese, Chief Financial Officer, furnished pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended.
95*	Mine Safety Disclosures.
101.INS*	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*	XBRL Schema Document
101.CAL*	XBRL Calculation Linkbase Document
101.LAB*	XBRL Label Linkbase Document
101.PRE*	XBRL Presentation Linkbase Document
101.DEF*	XBRL Definition Linkbase Document

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BAKER HUGHES COMPANY

Date: February 14, 2023

/s/ LORENZO SIMONELLI
Lorenzo Simonelli
Chairman, President and Chief Executive Officer

KNOWN ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Lorenzo Simonelli, Nancy Buese and Regina Jones, each of whom may act without joinder of the other, as their true and lawful attorneys-in-fact and agents, each with full power of substitution and resubstitution, for such person and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on this 14th day of February 2023.

Signature	Title
/s/ LORENZO SIMONELLI (Lorenzo Simonelli)	Chairman, President and Chief Executive Officer (principal executive officer)
/s/ NANCY BUESE (Nancy Buese)	Chief Financial Officer (principal financial officer)
/s/ KURT CAMILLERI (Kurt Camilleri)	Senior Vice President, Controller and Chief Accounting Officer (principal accounting officer)

Signature	Title
/s/ W. GEOFFREY BEATTIE (W. Geoffrey Beattie)	Director
/s/ GREGORY D. BRENNEMAN (Gregory D. Brenneman)	Director
/s/ CYNTHIA B. CARROLL (Cynthia B. Carroll)	Director
/s/ NELDA J. CONNORS (Nelda J. Connors)	Director
/s/ MICHAEL R. DUMAIS (Michael R. Dumais)	Director
/s/ LYNN L. ELSENHANS (Lynn L. Elsenhans)	Director
/s/ JOHN G. RICE (John G. Rice)	Director
/s/ MOHSEN M. SOHI (Mohsen M. Sohi)	Director

Exhibit 4.10

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Description of our Common Stock

The following description of our Common Stock is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Second Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") and our Fifth Amended and Restated Bylaws (the "Bylaws"), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit is a part. We encourage you to read our Certificate of Incorporation, our Bylaws and the applicable provisions of the Delaware General Corporations Law (the "DGCL"), for additional information.

Authorized Capital Shares

Our authorized capital shares consist of 2,000,000,000 shares of Class A common stock, $0.0001 par value per share ("Class A Common Stock"), 1,250,000,000 shares of Class B common stock, $0.0001 par value per share ("Class B Common Stock", and together with Class A Common Stock, "Common Stock") and 50,000,000 shares of undesignated preferred stock, $0.0001 par value per share ("Preferred Stock").

Voting Rights

Each outstanding share of Common Stock shall entitle the holder thereof to one vote on each matter properly submitted to the stockholders for their vote except that holders of Common Stock shall not be entitled to vote on any amendment to the Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to the Certificate of Incorporation or the DGCL.

Except as otherwise provided by law or by the resolution or resolutions providing for the issue of any series of Preferred Stock, the holders of outstanding shares of Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes.

Except as otherwise required in the Certificate of Incorporation or by applicable law, the holders of Common Stock shall vote together as a single class (or, if the holders of one or more series of Preferred Stock are entitled to vote together with the holders of Common Stock, together as single class with the holders of such other series of Preferred Stock) on all matters submitted to a vote of stockholders generally.

Dividend Rights

Subject to the rights of the holders of any series of Preferred Stock, the holders of Class A Common Stock shall be entitled to receive such dividends and other distributions in cash, stock or property when, as and if declared thereon by the Board of Directors from time to time out of assets or funds legally available therefor. Dividends and other distributions shall not be declared or paid on the Class B Common Stock.

Liquidation Rights

Subject to the rights of the holders of any series of Preferred Stock, the holders of Class A Common Stock shall be entitled to receive the assets and funds available for distribution to stockholders in the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary. The holders of shares of Class B Common Stock, as such, shall not be entitled to receive any assets in the event of any dissolution, liquidation or winding up.

Other Rights and Preferences

Our Common Stock has no sinking fund or redemption provisions or preemptive, conversion or exchange rights. Holders of Common Stock may act by unanimous written consent.

Listing

The Class A Common Stock is traded on The Nasdaq Stock Market LLC under the trading symbol “BKR”.

TMA MASTER SETTLEMENT AGREEMENT

This TMA Master Settlement Agreement ("Agreement"), entered into as of February 13, 2023, and effective as of December 29, 2022 (the "Effective Date"), is entered into by and among General Electric Company, a New York corporation ("GE"), Baker Hughes Company (formerly Baker Hughes, a GE Company), a Delaware corporation ("BHI"), EHHC NewCo LLC, a Delaware limited liability company ("EHHC"), and Baker Hughes Holdings, LLC (formerly Baker Hughes, a GE Company, LLC), a Delaware limited liability company ("BH Holdings"). GE, BHI, EHHC and BH Holdings are each referred to herein individually as a "Party" and collectively as the "Parties."

WHEREAS, in connection with the business combination transactions that took place in July 2017 among the Parties (as well as certain of their affiliates and predecessors) (the "Business Combination"), the Parties entered into the Tax Matters Agreement, dated as of July 3, 2017, and subsequently entered into an amendment pursuant to the Term Sheet for A&R Tax Matters Agreement, dated as of October 30, 2018, between the Parties (as amended, the "Original TMA");

WHEREAS, the Parties entered into the Term Sheet, dated as of the Effective Date (the "Term Sheet"), that resolved various disputes under the Original TMA, terminated the Original TMA, and provided for certain payments and other consideration;

WHEREAS, the Term Sheet provides that it is a binding agreement of the Parties as of the date of its execution and that all of its provisions take effect as of such date and remain in effect until definitive agreements implementing the Term Sheet have been fully executed and delivered; and

WHEREAS, the Parties are executing the Amended and Restated Tax Matters Agreement ("A&R TMA"), which is attached as Exhibit A, contemporaneously with the execution of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

1. Defined Terms. For purpose of this Agreement, the following terms shall have the meanings assigned to them below.

"A&R TMA" has the meaning set forth in the Recitals to this Agreement.

"BH Group" means each of the BH Parties and their respective Subsidiaries.

"BH Parties" means each of BHI, BH Holdings and EHHC.

"Claims" means all claims, cross-claims, counterclaims, debts, demands, disputes, rights, actions, causes of action, agreements, suits, matters, liabilities, losses, taxes (including any interest or penalties thereon), or damages of any kind, together with any interest, attorneys' fees, expert or consulting fees, and any and all other costs, expenses or liabilities whatsoever related thereto, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, known or unknown, at law or in equity, matured or unmatured, in contract, statutory, tort or otherwise, from conduct that is negligent, reckless, intentional, or a breach of any duty, law or rule, individual, derivative or otherwise in nature, in each case, arising under, in connection with, pursuant to, with respect to or otherwise related to the Original TMA.

"Combination Agreements" means the Transaction Agreement and Plan of Merger, dated as of October 30, 2016, by and among GE and BHI and certain of their affiliates, as amended by the Amendment to the Transaction Agreement and Plan of Merger, dated as of March 27, 2017; the BH Holdings Second Amended and Restated Limited Liability Company Agreement, dated as of April 15, 2020, by and among BH Holdings

and its members; the BHI Amended and Restated Stockholders Agreement, dated as of November 13, 2018, and as amended on July 26, 2019, between GE and the predecessor of BHI (Baker Hughes, a GE company); and the Exchange Agreement.

"Exchange Agreement" means the Exchange Agreement, dated as of July 3, 2017, between GE, the predecessor of BHI (Baker Hughes, a GE Company), and the predecessor of BH Holdings (Baker Hughes, a GE Company, LLC).

"Dispute Resolution Procedures" has the meaning set forth in the A&R TMA.

"GE Group" means GE and its Subsidiaries, excluding any entity that is a member of the BH Group.

"Governmental Entity" means any United States federal, state or local, or foreign, international or supranational, government, court or tribunal, or administrative, executive, governmental or regulatory or self-regulatory body, agency or authority thereof.

"Person" means an individual, corporation, partnership, joint venture, association, trust, unincorporated organization, limited liability company or governmental or other entity.

"Released Claims" means the BH Released Claims and the GE Released Claims.

"Subsidiary" means, with respect to any Person, another Person, an amount of the voting securities or other voting ownership interests of which is sufficient, together with any contractual rights, to elect at least a majority of its Board of Directors or other governing body (or, if there are no such voting interests, 50% or more of the gains, losses or equity interests of which), or to direct the management or policies, is owned or controlled directly or indirectly by such first Person (or one or more of the other Subsidiaries of such Person or a combination thereof).

"Tax" means any federal, state, provincial, local, foreign or other tax, import, duty or other governmental charge or assessment or escheat payments, or deficiencies thereof, including income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits, windfall profits, cash flow, gross receipts, value added, sales, use, excise, custom duties, transfer, conveyance, mortgage, registration, stamp, documentary, recording, premium, severance, environmental, real and personal property, ad valorem, intangibles, rent, occupancy, license, occupational, employment, unemployment insurance, social security, disability, workers' compensation, payroll, health care, withholding, estimated or other similar tax and including all interest and penalties thereon and additions to tax.

2. Termination of the Original TMA.

a. As provided in the Term Sheet, the Original TMA and any and all rights and any and all obligations that any Party had or may have under the Original TMA terminated as of the Effective Date.

b. Consistent with the termination of the Original TMA, the Parties agree not to assert or contend that any Combination Agreement or other agreement between or among any of the Parties operates in a manner that causes any provision of the Original TMA to apply or be effective in any respect.

3. Payment. In accordance with the Term Sheet BH Holdings made a payment on or before December 31, 2022, of $21 million to the account designated by GE.

4. GE Group Exit from BH Holdings; Exchange. In accordance with the Term Sheet, on December 29, 2022, the members of the GE Group that held Units (as defined in the Term Sheet) delivered

a Notice of Exchange in respect of all their Units, and ownership of all such Units was treated as transferred to BHI at the close of business on December 30, 2022. Pursuant to the Exchange Agreement and the Notice of Exchange, Class A shares of BHI were issued to such GE Group members.

5. The A&R TMA. To implement the additional terms of the Term Sheet not otherwise set forth in this Agreement, the Parties are executing the A&R TMA (which is effective as of the Effective Date) contemporaneously with the execution of this Agreement.

6. Releases and Covenants

a. BH Parties' Release of GE Release Parties. In consideration of the foregoing and the covenants made in this section 6, the BH Parties, on behalf of themselves and the members of the BH Group, together with their respective officers, directors, managers, employees, agents, advisors, representatives and attorneys, each in their respective capacities as such (collectively, the "BH Release Parties"), hereby release and forever discharge the GE Group, together with their respective officers, directors, managers, employees, agents, advisors, representatives and attorneys, each in their respective capacities as such (collectively, the "GE Release Parties"), from any and all Claims which the BH Release Parties now have, ever had or ever could have against the GE Release Parties (the "BH Released Claims"), provided, however, that this release does not release the GE Release Parties from their obligations under this Agreement, the A&R TMA, or any other agreement to which any of them are parties (other than the Original TMA) and does not release any person or entity other than the GE Release Parties.

b. GE's Release of BH Release Parties. In consideration of the foregoing and the covenants made in this section 6, GE, on behalf of itself and the GE Release Parties, hereby releases and forever discharges the BH Release Parties, from any and all Claims which the GE Release Parties now have, ever had or ever could have against the BH Release Parties (the "GE Released Claims"), provided, however, that this release does not release the BH Release Parties from their obligations under this Agreement, the A&R TMA, or any other agreement to which any of them are parties (other than the Original TMA) and does not release any person or entity other than the BH Release Parties.

c. Covenants to Not Sue. The BH Parties covenant to not, and to cause the BH Release Parties to not, sue any GE Release Party with respect to any Released Claim, and GE covenants to not, and to cause the GE Release Parties to not, sue any BH Release Party with respect to any Released Claim.

d. Subsequent Discovery Has No Impact On the Releases and Covenants. Each Party acknowledges that it may hereafter discover facts in addition to or different from those that such Party and any of its officers, directors, managers, shareholders, employees, agents, advisors, representatives, and attorneys now know or believe to be true with respect to the Released Claims. Except as provided in section 12, any such discovery shall have no impact on the releases and covenants agreed to in this Agreement.

e. With respect to the Released Claims (but without prejudice to the terms of section 12), the Parties expressly waive and relinquish any and all provisions, rights and benefits conferred by California Civil Code § 1542 and also by any law of any other foreign or domestic jurisdiction, or principle of federal or common law, which is similar, comparable, or equivalent to California Civil Code § 1542, which section reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

7. Confidentiality.

a. This Agreement, the terms hereof, as well as all documents, communications, drafts, and other materials of any kind relating to the negotiation of this Agreement, the circumstances leading thereto, or the implementation of this Agreement by the Parties, that the Parties shall provide, exchange, disclose, or learn of, including and together with all information and documents subject to the confidentiality provisions of the Original TMA or the A&R TMA, shall be "Confidential Information" within the meaning of this Agreement.

b. No Party shall disclose any Confidential Information, except that, subject to the obligations described below, disclosure of such information shall be permitted in the following limited circumstances: (i) as that Party may elect in its reasonable discretion (A) as part of its filings with the US Securities and Exchange Commission on Form 8-K, 10-Q, 10-K, or 18-K and related disclosures (including financial supplements) or other governmental authorities, its annual reports to its shareholders or its other financial reporting obligations; (B) in connection with the filing of any US or foreign federal, state, or local tax returns or in connection with any administrative or judicial proceedings relating thereto; and (C) in communications with a governmental or other regulatory or self-regulatory authority having jurisdiction over such Party; (ii) in an action by any Party to enforce this Agreement, to the extent reasonably required for the purposes of such enforcement; (iii) in response to a court order, subpoena, or other discovery demand made in accordance with applicable law; and (iv) to such Party's subsidiaries, affiliates, their respective directors, officers, external or internal agents, representatives, professional advisers, attorneys, accountants, auditors, insurers and reinsurers, successors, assigns, and employees, who have a need to know and are under a duty to implement appropriate measures to maintain the confidentiality of such information.

c. Should any of the Parties receive a request for disclosure or become required by law to disclose any Confidential Information other than as provided for in section 7(b)(i) directly above, the Party receiving such a request shall promptly notify the other Parties (other than its own affiliates) to afford them the opportunity to object or seek a protective order prior to the disclosure of any such information. Each Party agrees that it shall use commercially reasonable efforts to obtain assurance that confidential treatment will be accorded to any Confidential Information (other than the existence of and contents of this Agreement) that is provided to any governmental authority or any other person.

d. The Parties agree that irreparable harm would result if any part of the covenants contained in this section 4 are not performed in accordance with the terms hereof and that the relevant non-breaching Party shall be entitled to an injunction or injunctions to prevent breaches of these provisions or to enforce them specifically; provided, however, that the foregoing shall not apply to the extent the granting of any right to specific performance would contravene the terms of any binding order of any governmental authority. The Parties acknowledge that legal damages arising out of this covenant will not adequately compensate the other Parties for the harm caused by any breach of it, including due to the uncertain risks and liabilities to which such a breach could potentially expose the non-breaching Parties.

e. For purposes of this Agreement, Confidential Information shall not include information that: (i) is or becomes generally available to and known by the public other than as a result of disclosure by a Party in violation of this Agreement; (ii) becomes available to a Party from a source other than the disclosing Party, provided that the receiving Party has no knowledge that such source is prohibited from disclosing such information to the receiving Party by a contractual, legal, or fiduciary obligation; or (iii) is independently developed by a Party without reference to, or use of, the Confidential Information.

f. The Parties each understand and acknowledge that nothing in this Agreement prohibits or limits any other Party or their counsel from initiating communications directly with, responding to any inquiry from, volunteering information to, or providing testimony before, the US Securities and Exchange

Commission, the US Department of Justice, the US Financial Industry Regulatory Authority or any other self-regulatory organization or any other governmental law enforcement, or regulatory authority, regarding this Agreement and its underlying facts and circumstances, or any reporting of, investigation into, or proceeding regarding suspected violations of law, and that the Parties are not required to advise or seek permission from any other Party before engaging in any such activity.

8. Dispute Resolution. Any controversy or claim arising out of or relating to this Agreement shall be settled under the Dispute Resolution Procedures.

9. Damages. In the event any Party breaches this Agreement, (i) the other Parties waive, to the fullest extent permitted by law, any claims for punitive or exemplary damages associated with such breach, provided, the non-breaching Parties may recover from the breaching Party, in addition to consequential or compensatory damages, all out-of-pocket costs and expenses, including legal fees and costs, incurred in connection with such breach and with enforcing this Agreement, and (ii) if any individual or entity, as a result of such a breach, in turn asserts a claim against any Released Party for contribution or indemnification with respect to such suit, proceeding or settlement (a "Claim Over"), the Released Party may recover, provided it has notified in writing the breaching Party without undue delay of such Claim Over, any damages awarded as a result of, or settlement amounts paid in connection with, such Claim Over.

10. No Admission of Liability. By entering into this Agreement, none of the Parties is admitting any liability under the Original TMA.

11. Sufficiency of Consideration. The Parties acknowledge that the releases, covenants and other consideration provided for in this Agreement and the Term Sheet provide good and sufficient consideration for every promise, duty, release, obligation, agreement, and right contained in this Agreement.

12. Mistake. By entering into this Agreement, the Parties assume the risk of any mistake. If any Party to this Agreement subsequently discovers that any fact relied upon by it in entering into this Agreement was untrue or that Party's understanding of the facts or of the law was incorrect, such Party shall not be entitled to any relief in connection therewith, including, without limitation, any alleged right or claim to set aside or rescind this Agreement; notwithstanding the above, however, a Party may seek remedies in the case of a material misrepresentation or concealment of a material fact through the Dispute Resolution Procedures. For this purpose, a misrepresentation or concealment shall only be treated as material if it has a consequence in excess of $15 million.

13. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.

14. Counterparts; Electronic Transmission of Signatures. This Agreement may be executed in any number of counterparts and by different Parties in separate counterparts, and delivered by means of electronic mail transmission or otherwise, each of which when so executed and delivered shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

15. Assignment; No Third-Party Beneficiaries.

a. This Agreement and all of the provisions hereto shall be binding upon and inure to the benefit of, and be enforceable by, the Parties and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations set forth herein shall be assigned by any

Party without the prior written consent of the other Parties and any purported assignment without such consent shall be void.

b. Nothing in this Agreement shall be construed as giving any Person, other than the Parties and their heirs, successors, legal representatives and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provision hereof.

16. Severability. If any provision of this Agreement shall be held to be illegal, invalid or unenforceable under any applicable law, then such contravention or invalidity shall not invalidate the entire Agreement. Such provision shall be deemed to be modified to the extent necessary to render it legal, valid and enforceable, and if no such modification shall render it legal, valid and enforceable, then this Agreement shall be construed as if not containing the provision held to be invalid, and the rights and obligations of the Parties shall be construed and enforced accordingly.

17. Entire Agreement. This Agreement, together with the Term Sheet (while in effect) and the A&R TMA, constitute the entire agreement among the Parties with respect to the subject matters addressed therein and supersede all prior agreements and understandings, both oral and written, among the Parties with respect to such subject matters. In the event of any inconsistency between this Agreement and the Term Sheet, this Agreement shall prevail.

18. Amendments. This Agreement may not be amended or modified without the written consent of each of GE, BHI, EHHC and BH Holdings.

19. References to the Original TMA in Other Transaction Documents. To the extent that any agreement (for clarity, other than this Agreement and the A&R TMA) among the Parties (or affiliates thereof) contains an obligation that (a) was or is to be discharged on or following the Effective Date and (b) is defined (in whole or part) by reference to the Original TMA, such reference to the Original TMA contained in such agreement shall be deemed to be a reference to the A&R TMA (as the A&R TMA may be amended, supplemented or modified from time to time in accordance with its terms). Each of the Parties will, at the request of any other Party, execute any further documentation reasonably requested by such other Party to give effect to the provisions of this Section 19. For the avoidance of doubt, the Parties' covenants in Section 2(b) of this Agreement apply in full and this Section 19 shall not be interpreted or applied in any way that is inconsistent with Section 2(b).

20. Waiver. Any failure of any of the Parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived at any time by any of the Parties entitled to the benefit thereof only by a written instrument signed by each such Party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of or estoppel with respect to, any subsequent or other failure.

21. Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of a Party or any members of its Group, and no creditor who makes a loan to a Party or any members of its Group may have or acquire (except pursuant to the terms of a separate agreement executed by the Party in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in this Agreement other than as a secured creditor.

22. Authority. Each of the Parties represents and warrants that it (a) has made such investigation of the facts pertaining to this Agreement and of all the matters pertaining thereto as they deem necessary; (b) has been represented by legal counsel of its choosing, which has reviewed this Agreement; (c) has read this Agreement, understands its contents, and has executed it voluntarily and without duress or undue

influence from any person or entity; and (d) has full power and authority to enter into this Agreement and to make the releases contained herein on behalf of itself and, in the case of GE, on behalf of all the GE Release Parties, and in the case of the BH Parties, on behalf of the BH Release Parties. The Parties acknowledge that these representations and warranties are material terms of this Agreement and the releases agreed to herein.

23. No Assignment of Claims. Each Party represents and warrants to the other Parties that prior to the Effective Date it has, consistent with section 10.05 of the Original TMA, not purported to assign or agreed to assign (and will not assign or agree to assign) to any person its right, title and interest in any Claim or any right or obligation under any provision of the Original TMA and any such action was (or would be) null and void.

24. Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neutral forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. Without limiting the generality of the immediately preceding sentence, no amendment or other modification to any agreement, document or instrument that requires the consent of any Person pursuant to the terms of this Agreement or any other agreement will be given effect hereunder unless such Person has consented in writing to such amendment or modification. The use of the words "or," "either" and "any" shall not be exclusive. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict. References to agreements or other documents shall be deemed to refer to such agreement or other document as amended, restated, supplemented and/or otherwise modified from time to time. References to any law or statute shall be deemed to refer to such law or statute, together with the rules and regulations promulgated thereunder, in each case as may be amended from time to time and any successor thereto.

25. Notices. All notices, requests, demands or other communications required or contemplated hereunder or relating hereto shall be in writing and delivered by overnight delivery with a copy by e-mail and as to which receipt must be confirmed by reply e-mail for delivery to be complete, and in each case, addressed as follows:

If to any BH Party:

Baker Hughes Company
17021 Aldine Westfield Rd.
Houston, TX 77073
Attention: [redacted]
Email: [redacted]

If to GE:

General Electric Company
5 Necco Street
Boston, MA
Attention: [redacted]
[redacted]

Email: [redacted]

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, each of the Parties has executed this Agreement by a duly authorized representative of such Parties.

GENERAL ELECTRIC COMPANY

By: /s/ Michael Schlesinger
Name: Michael Schlesinger
Title: VP Tax

BAKER HUGHES COMPANY

By: /s/ Nancy Buese
Name: Nancy Buese
Title: Chief Financial Officer

EHHC NEWCO LLC

By: /s/ Nancy Buese
Name: Nancy Buese
Title: Chief Financial Officer

BAKER HUGHES HOLDINGS, LLC

By: /s/ Nancy Buese
Name: Nancy Buese
Title: Chief Financial Officer

EXHIBIT A
A&R TMA

(see attached)

AMENDED AND RESTATED

TAX MATTERS AGREEMENT

between

GENERAL ELECTRIC COMPANY,

BAKER HUGHES COMPANY,

EHHC NEWCO, LLC,

and

BAKER HUGHES HOLDINGS, LLC

This AMENDED AND RESTATED TAX MATTERS AGREEMENT (this "Agreement"), entered into as of February 13, 2023 and effective as of December 29, 2022 (the "Effective Date"), is entered into by and among General Electric Company, a New York corporation ("GE"), Baker Hughes Company (formerly Baker Hughes, a GE Company), a Delaware corporation ("BHI"), EHHC NewCo LLC, a Delaware limited liability company ("EHHC"), and Baker Hughes Holdings, LLC (formerly Baker Hughes, a GE Company, LLC), a Delaware limited liability company ("BH Holdings"). GE, BHI, EHHC and BH Holdings are each referred to herein individually as a "Party" and collectively as the "Parties."

WHEREAS, pursuant to that certain Transaction Agreement and Plan of Merger, dated October 30, 2016, among GE, Baker Hughes Incorporated , a Delaware corporation, Newco, and Bear MergerSub, Inc., a Delaware corporation ("Merger Sub"), as amended by the Amendment to Transaction Agreement and Plan of Merger, dated as of March 27, 2017, among GE , Baker Hughes Incorporated, Newco, MergerSub, BHI Newco, Inc., a Delaware corporation, and Bear Merger Sub2, Inc., a Delaware corporation (as may be further amended from time to time, the "Transaction Agreement"), GE and Baker Hughes Incorporated agreed to combine GE O&G with Baker Hughes Incorporated and have effected or agreed to effect the Transactions (as defined in the Transaction Agreement);

WHEREAS, in connection with effecting and agreeing to effect the Transactions, the Parties entered into the Tax Matters Agreement, dated as of July 3, 2017, and subsequently entered into an amendment pursuant to the Term Sheet for A&R Tax Matters Agreement, dated as of October 30, 2018, between the Parties (as amended, the "Original TMA");

WHEREAS, in connection with the settlement of various disputes that arose under the Original TMA, the Parties have entered into that Term Sheet dated as of December 29, 2022 (the "Term Sheet") pursuant to which they agreed to (i) terminate the Original TMA, (ii) allocation between the Parties certain Tax liabilities and benefits and (ii) various other matters;

WHEREAS, the Term Sheet provides that it is a binding agreement of the Parties as of the date of its execution and that all of its provisions take effect as of such date and remain in effect until definitive agreements implementing the Term Sheet have been fully executed and delivered; and

WHEREAS, in order to implement the Term Sheet and reflect those arrangements associated therewith, the Parties are contemporaneously entering into that TMA Master Settlement Agreement of even date herewith (the "Settlement Agreement") and this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged, GE, BHI, EHHC, and BH Holdings, intending to be legally bound, hereby agree as follows:

ARTICLE I.
DEFINITIONS

Section 1.01 Definitions.

The following definitions shall be applied to the terms used in this Agreement for all purposes, unless otherwise clearly indicated to the contrary.

"Agreement" has the meaning set forth in the recitals to this Agreement.

"Allocable Share" means the percentage of membership interests of BH Holdings collectively held by the members of the GE Group, on the one hand, and the members of the BHI Group, on the other hand, at the time of determination.

"BH Group" means BHI, BH Holdings and EHHC and their respective subsidiaries.

"BH Holdings" has the meaning set forth in the recitals to this Agreement.

"BH Holdings Group" means BH Holdings and its Subsidiaries.

"BHI" has the meaning set forth in the recitals of this Agreement.

"BHI Group" means BHI and its Subsidiaries (x) excluding for any Post-Closing Period any entity that is a member of the BH Holdings Group and (y) including for any Pre-Closing Period, Baker Hughes Inc. and its Subsidiaries (for the avoidance of doubt, whether or not Baker Hughes Inc. and its Subsidiaries are Subsidiaries of BHI).

"BHI Group Contributed Asset" means any asset contributed (or deemed contributed for U.S. federal income tax purposes) to BH Holdings by a member of the BHI Group, including any asset held by an entity that is treated as a partnership for U.S. federal income tax purposes the equity of which is contributed (or deemed contributed for U.S. federal income tax purposes) to BH Holdings by a member of the BHI Group. For the avoidance of doubt, BHI Group Contributed Asset shall include any asset held (or deemed held for U.S. federal income tax purposes) by Baker Hughes International Partners Holding SCS or by any entity that is treated as a partnership for U.S. federal income tax purposes the equity of which was held by Baker Hughes International Partners Holding SCS (directly or indirectly through one or more pass-through entities) immediately prior to the Closing Date.

"Book/Tax Difference Asset" means an asset that is (a) held at the relevant time by BH Holdings for U.S. federal income tax purposes (or any partnership in which BHI Holdings holds a direct interest or an indirect interest through one or more pass-through entities) at a Gross Asset Value (as defined in the LLC Agreement) that differs from its adjusted tax basis for U.S. federal income tax purposes and (b)(i) a BHI Group Contributed Asset, (ii) a GE Group Contributed Asset or (iii)

acquired by BH Holdings for U.S. federal income tax purposes (or any partnership in which BH Holdings holds a direct interest or an indirect interest through one or more pass-through entities) after the Closing Date.

"Closing Date" has the meaning set forth in the Transaction Agreement.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Determination" means the final resolution of liability for any Tax for any Taxable Year by or as a result of (1) a final and unappealable decision, judgment, decree or other order of a court of competent jurisdiction; (2) a final settlement, compromise or other agreement with the relevant Taxing Authority, an agreement that constitutes a determination under Section 1313(a)(4) of the Code, an agreement contained in an IRS Form 870-AD, a closing agreement or accepted offer in compromise under Section 7121 or 7122 of the Code, or a comparable agreement under state, local or foreign law; (3) the expiration of the applicable statute of limitations; or (4) payment of such Tax, if assessed by a Taxing Authority, pursuant to an agreement in writing by the applicable Party or its affiliate to accept such assessment.

"Dispute Resolution Procedures" means the following process:

- BHI and GE shall, within thirty (30) days after delivery by either BHI or GE to the other of notification that dispute resolution should commence, exchange written descriptions of their respective positions regarding the matter and thereafter cooperate together in an attempt to reach an acceptable resolution in an attempt to resolve the matter.

- If a resolution that is acceptable to BHI and GE has not been agreed to within thirty (30) days after such exchange, then:

- BHI and GE shall first refer the dispute to proceedings under the Mediation Rules of the International Chamber of Commerce.

- If the dispute has not been settled pursuant to said Rules within sixty (60) days following the filing of a Request for Mediation or within such other period as the parties may agree in writing, such dispute shall thereafter be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules of Arbitration.

- The decision of the arbitrator will be binding on all parties with no right of further appeal. The arbitration shall apply the laws of the State of Delaware. Each of GE and BHI shall bear its own costs, and an equal share of the cost of the arbitration.

"Effective Date" has the meaning set forth in the recitals to this Agreement.

"EHHC" has the meaning set forth in the recitals to this Agreement.

"Formation Taxes" shall mean any and all Taxes imposed on any member of a Group with respect to any Formation Transaction to the extent that such Tax would not have been imposed if GE had transferred all of GE O&G to BHI in exchange for stock of BHI in a transaction qualifying under Section 351 of the Code, including any Taxes arising by reason of (A) the acceleration or triggering of deferred intercompany transactions and excess loss accounts under Treas. Reg. §§ 1.1502-13 and 1.1502-19, respectively, (B) prepaid expenses, (C) deferred revenue, (D) the acceleration of

adjustments under Section 481 of the Code and (E) any other items that are accelerated by reason of any Formation Transaction or for which the income or gain has economically accrued prior to the Closing Date and for which an item of income or gain is recognized by reason of the formation of BH Holdings.

"Formation Transactions" shall mean (i) any transactions contemplated by the Transaction Agreement, and (ii) any restructuring transactions in furtherance thereof that are undertaken by the GE Group, in each case, including the GE Reorganization (as defined in the Transaction Agreement) and the Schedule A Transactions.

"Former GE Business" means any of the businesses conducted by any of the Former GE Entities prior to their becoming members of the BHI Group.

"Former GE Entity" means any entity that was owned by GE directly or indirectly and became a member of the BH Group pursuant to the Transaction Agreement.

"GE" has the meaning set forth in the recitals to this Agreement.

"GE Group" means GE and its Subsidiaries, excluding for any Post-Closing Period any entity that is a member of the BH Holdings Group or the BHI Group.

"GE Group Contributed Asset" means any asset contributed (or deemed contributed for U.S. federal income tax purposes) to BH Holdings by a member of the GE Group, including any asset held by an entity that is treated as a partnership for U.S. federal income tax purposes the equity of which is contributed (or deemed contributed for U.S. federal income tax purposes) to BH Holdings by a member of the GE Group.

"GE O&G" has the meaning set forth in the Transaction Agreement.

"GE O&G Subsidiary" has the meaning set forth in the Transaction Agreement, as determined on the date of the Original TMA.

"GE Refund" means any Tax Refund and including interest received from the relevant Taxing Authority with respect to:

- Taxes assessed on Nuovo Pignone Holding Spa for omitted income deriving from deemed loans to GE Industrial Financing Ireland LTD for the 2007 and 2008 taxable years (matter currently pending at the Italian Supreme Court);

- Pre-Closing Income Taxes attributable to any GE Retained Matters; and

- Italian credits in the amount of approximately $15MM arising from the prepayment of Pre-Closing Taxes related to GE businesses other than the Oil & Gas business.

"GE Retained Matter" means each of the following:

- Pre-Closing Income Taxes imposed on Nuovo Pignone Holding Spa and Nuovo Pignone International Srl that are solely and exclusively attributable to, or directly related to, those disputes with the following references (Riferimento atto): TMB0E4S00778-14, TMB0E4S00782-14, TMB0E4S00088-15, TMB0E4S00339-16, avviso liquidazione S1T n. 010363-000 a001, TMB0E4S00772-14, TMB084S00662-14, TMB084M00029-14,

CNM R5J090201734-09, TMB0E1D00271-2021, TMB0E3Z00148-2020, TMB0EZ00483-19, TMBE3Z00446-19 (the "Non-O&G Italy Litigation")

- Pre-Closing Income Taxes, if any, resulting from that distribution made by GE Italia Holding to GEEE BV during the financial year 2016

- Pre-Closing Income Taxes imposed on Baker Hughes Energy Technology do Brasil Ltda. (formerly GE Oil & Gas do Brasil Ltda.) that are solely and exclusively attributable to, or directly related to, the disputes in the following administrative proceedings: 16682-722.854/2016-24, 16682-721.830/2017-39, 16682-721.162/2018-21, 16682-720.721/2019-66, 16682- 720.749/2019-01, 16682-720.957/2021-17.

"Governmental Entity" means any U.S. federal, state or local, or foreign, international or supranational, government, court or tribunal, or administrative, executive, governmental or regulatory or self-regulatory body, agency or authority thereof.

"Group" means the GE Group, the BH Holdings Group or the BHI Group, or all of them, as the context requires.

"Income Tax" means any Tax that is based upon, measured by, or calculated with respect to: (i) net income or profits or net receipts (including, but not limited to, any capital gains, minimum Tax, or any Tax on items of Tax preference, but not including sales, use, real or personal property, value added, escheat, excise or transfer or similar Taxes) or (ii) multiple bases (including franchise, doing business and occupation Taxes) if one or more bases upon which such Tax may be based, measured by, or calculated with respect to, is described in clause (i).

"Intended Tax Treatment" means, with respect to each Schedule A Transaction, the tax consequences or treatment (if any) set forth for such Schedule A Transaction on Schedule A of the Original TMA.

"Law" means any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Entity.

"LLC Agreement" means the BH Holdings Second Amended and Restated Limited Liability Company Agreement, dated as of April 15, 2020, by and among BH Holdings and its members.

"Methods" has the meaning set forth in Section 4.02(b) of this Agreement.

"Original TMA" has the meaning set forth in the recitals to this Agreement.

"Party" and "Parties" have the meaning set forth in the recitals to this Agreement.

"Person" means an individual, corporation, partnership, joint venture, association, trust, unincorporated organization, limited liability company or governmental or other entity.

"Post-Closing Period" means any Taxable Year beginning after the Closing Date, and, in the case of any Straddle Period, the portion of such Straddle Period beginning after the Closing Date.

"Pre-Closing Period" means any Taxable Year ending on or before the Closing Date, and, in the case of any Straddle Period, the portion of such Straddle Period ending on the Closing Date.

"Pre-Closing Income Taxes" means any Pre-Closing Taxes that are Income Taxes.

"Pre-Closing Taxes" means any Taxes with respect to a Pre-Closing Period.

"Schedule A Transactions" means the transactions set forth on Schedule A of the Original TMA.

"Settlement Agreement" has the meaning set forth in the recitals to this Agreement.

"Straddle Period" means any Taxable Year that begins on or before and ends after the Closing Date.

"Subsidiary" means, with respect to any Person, another Person, an amount of the voting securities or other voting ownership interests of which is sufficient, together with any contractual rights, to elect at least a majority of its Board of Directors or other governing body (or, if there are no such voting interests, 50% or more of the gains, losses or equity interests of which), or to direct the management or policies, is owned or controlled directly or indirectly by such first Person (or one or more of the other Subsidiaries of such Person or a combination thereof).

"Tax" or "Taxes" means any federal, state, provincial, local, foreign or other tax, import, duty or other governmental charge or assessment or escheat payments, or deficiencies thereof, including income, alternative, minimum, accumulated earnings, personal holding company, franchise, capital stock, net worth, capital, profits, windfall profits, cash flow, gross receipts, value added, sales, use, excise, custom duties, transfer, conveyance, mortgage, registration, stamp, documentary, recording, premium, severance, environmental, real and personal property, ad valorem, intangibles, rent, occupancy, license, occupational, employment, unemployment insurance, social security, disability, workers' compensation, payroll, health care, withholding, estimated or other similar tax and including all interest and penalties thereon and additions to tax.

"Tax Attribute" shall mean a net operating loss, net capital loss, unused investment credit, unused foreign tax credit, excess charitable contribution, general business credit, alternative minimum tax credit or any other Tax item that could reduce a Tax.

"Tax Contest" means an audit, review, examination, or any other administrative or judicial proceeding with the purpose or effect of redetermining Taxes (including any administrative or judicial review of any claim for refund).

"Tax Refund" means any refund of Taxes (or credit, reduction or offset in lieu thereof).

"Tax Return" means any return, estimated tax return, report, declaration, form, claim for refund or information statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Taxable Year" means a taxable year as defined in Section 441(b) of the Code or comparable section or rule of state, local or foreign Law, as applicable (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is made).

"Taxing Authority" means, with respect to any Tax, the Governmental Entity or political subdivision thereof that imposes such Tax, and the agency (if any) charged with the collection of such Tax for such entity or subdivision.

"Term Sheet" has the meaning set forth in the recitals to this Agreement.

"Transaction Agreement" has the meaning set forth in the recitals to this Agreement.

"Treasury Regulations" means the regulations promulgated under the Code.

ARTICLE II.
GENERAL
ALLOCATION OF TAX LIABILITIES

Section 2.01 Allocation of Taxes.

(a) [Reserved]

(b) GE Pre-Closing Taxes. GE shall be responsible for any and all Pre-Closing Income Taxes attributable to the GE Retained Matters.

(c) Other Pre-Closing Taxes. Except as provided in Section 2.01(b), BHI shall be responsible for any and all Pre-Closing Taxes of BHI and its Subsidiaries, including, for the avoidance of doubt, any Former GE Entity.

Section 2.02 Proration of Taxes for Straddle Periods.

(a) With respect to any Straddle Period, GE, BHI, EHHC and BH Holdings shall treat, and elect to treat, the Closing Date as the last day of the Pre-Closing Period. If no such election is permitted, the Taxes for the Straddle Period shall be allocated to the Pre-Closing Period as follows: (i) in the case of real or personal property Taxes, Taxes based on capital, or a flat minimum amount Tax, the total amount of such Taxes multiplied by a fraction, the numerator of which is the number of days in the portion of the Straddle Period through and including the Closing Date and the denominator of which is the total number of days in such Straddle Period; and (ii) in the case of all other Taxes, including Income Taxes, based upon an actual closing of the books methodology on the Closing Date, as determined in accordance with the relevant books and records.

(b) For purposes of this Section 2.02, the Taxable Year of any partnership, pass-through entity or controlled foreign corporation (within the meaning of Section 957(a) of the Code or any comparable provision of state, local or foreign Law) in which a member of the BH Holdings Group holds a beneficial interest immediately after the Closing Date shall be deemed to terminate on the Closing Date.

ARTICLE III.
TAX RETURNS

Section 3.01 [Reserved]

Section 3.02 [Reserved]

Section 3.03 [Reserved]

Section 3.04 Preparation of Tax Returns.

(a) [Reserved]

(b) [Reserved]

(c) [Reserved]

(d) Reporting of Transactions and Formation Taxes. The Tax treatment reported on any Tax Return filed (or amended) after the date of this Agreement that relates to a Schedule A Transaction shall be consistent with the Intended Tax Treatment of such transaction. GE shall be entitled to determine in its reasonable discretion the Tax treatment of any Formation Transactions to be reported on any Tax Return filed by GE or any of its Subsidiaries. For purposes of this Section 3.04(d), any position supported by "substantial authority" under Treas. Reg. § 1.6662-4(d) (or any similar standard under applicable Law) shall be considered reasonable.

ARTICLE IV.
[RESERVED]

ARTICLE V.
[RESERVED]

ARTICLE VI.
INDEMNITY

Section 6.01 Indemnities.

(a) BHI Indemnity. BHI shall indemnify GE and each member of the GE Group from:

(i) any Taxes allocated to BHI pursuant to Article II; and

(ii) [Reserved]

(iii) all liabilities, costs, expenses (including, without limitation, reasonable accountant, attorney and other professional fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), including those incurred in a contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(b) GE Indemnity. GE shall indemnify BHI and each of its Subsidiaries from:

(i) any Taxes allocated to GE pursuant to Article II; and

(ii) [Reserved]

(iii) all liabilities, costs, expenses (including, without limitation, reasonable accountant, attorney and other professional fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in

(i), including those incurred in a contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(c) BHI Indemnity. BHI shall indemnify GE and each member of the GE Group, as applicable, from:

(i) Any Taxes attributable to breach by any member of the BHI Group of any representation, warranty or covenant made by such member in this Agreement or Section 7.04(f) of the Transaction Agreement (applied using the definition of "Formation Taxes" in this Agreement); and

(ii) all liabilities, costs, expenses (including, without limitation, reasonable accountant, attorney and other professional fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), including those incurred in a contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

(d) GE Indemnity. GE shall indemnify BHI and each of its Subsidiaries, as applicable, from:

(i) Any Taxes attributable to breach by any member of the GE Group of any representation, warranty or covenant made by such member in this Agreement; and

(ii) all liabilities, costs, expenses (including, without limitation, reasonable accountant, attorney and other professional fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to the imposition, assessment or assertion of any Tax liability or damage described in (i), including those incurred in a contest in good faith in appropriate proceedings relating to the imposition, assessment or assertion of any such Tax, liability or damage.

Section 6.02 Payments.

(a) General. All payments to be made under this Agreement to another party (or a member of its respective Group) shall be made in immediately available funds. With respect to any payment required to be made to or by a member of the GE Group or BHI or any of its Subsidiaries, the party entitled to the payment shall have the right to designate, by written notice to the payor or payee, as applicable, which member of its group will receive or make such payment.

(b) Net of Taxes. All payments under this Agreement shall be (i) reduced by any Tax benefit related to the Taxes imposed on the payee Group to which the payments relate that is actually realized by the payee Group (or, with respect to any payment made by BH Holdings, realized by Members that are members of the payee Group, in each case calculated on a "with and without" basis) and (ii) increased by such amounts as are necessary so that after paying all Taxes with respect to the receipt of such payment, the payee receives an amount equal to the amount it would have received had no such Taxes been imposed. For the avoidance of doubt, a payment required by this Agreement shall

not be delayed on account of a potential or anticipated Tax benefit and the determination of whether there is any such Tax benefit and the amount of any such Tax benefit shall be made no earlier than when such Tax benefit is realized and, if that occurs after the initial payment was made, then the recipient of the initial payment shall make a payment equal to the amount of such Tax benefit to the payor of the initial payment (and this payment shall not be subject to this Section 6.02(b)).

Section 6.03 Tax Refunds. GE shall be entitled to any GE Refunds. GE shall be responsible for all liabilities, costs, expenses (including, without limitation, reasonable accountant, attorney and other professional fees and expenses), losses, damages, assessments, settlements or judgments arising out of or incident to, or incurred in connection with, obtaining or seeking to obtain the GE Refunds, provided, however, that GE shall have the right to approve any such expenditures in advance (such approval not to be unreasonably withheld, delayed or conditioned). If a BH Group member receives a GE Refund, it shall pay over the amount of such Tax Refund (reduced as applicable for amounts described in the preceding sentence) within ten (10) days of receipt (or from the due date for payment of any Tax reduced thereby, determined on a "with and without" basis).

Section 6.04 [Reserved]

Section 6.05 Timing of Payments. Except as otherwise provided by this Agreement, payments to be made under this Agreement to a Group member shall be made within ten (10) days of:

(a) an agreement between the relevant parties in accordance with this Agreement that an amount is payable pursuant to Section 6.01, Section 6.02, or any other provision of this Agreement; or

(b) a Determination.

Section 6.06 No Duplicative Payments. It is intended that the provisions of this Agreement will not result in the duplicative payment of any amount (including interest) that may be required under this Agreement, and the provisions of this Agreement shall be consistently interpreted and applied in accordance with that intent.

Section 6.07 Late Payments. In the event that any payment required to be made under this Agreement is made after the date on which such payment is due, interest will accrue on such amount from (but not including) the due date of the payment to (and including) the date such payment is actually made at the rate designated from time to time in Section 6621(a)(2) of the Code, compounded on a daily basis.

ARTICLE VII.
ASSISTANCE AND COOPERATION

Section 7.01 Assistance and Cooperation. The Parties shall cooperate (and cause their respective Subsidiaries to cooperate) with each other and with each other's agents, including accounting firms and legal counsel, at such time and to the extent reasonably requested by another party in connection with matters subject to this Agreement. Such cooperation shall include, without limitation:

(a) the retention and timely provision on reasonable request of books, records, documentation or other information relating to Taxes of the BH Group, any Former GE

Entity and any member of the GE Group to the extent related to the Former GE Business until one year after the expiration of the applicable statute of limitations (giving effect to any extension, waiver or mitigation thereof);

(b) the filing or execution of any power of attorney and other document that may be necessary or appropriate (including to give effect to) in connection with any Tax Return or any Tax Contest to carry out the intent of this Agreement;

(c) the use of commercially reasonable efforts to obtain any documentation from a Taxing Authority or a third party that may be necessary or helpful in connection with the foregoing; and

(d) the making of its employees and facilities reasonably available on a mutually convenient basis to facilitate such cooperation;

provided that, in no event shall (i) BHI be entitled to any documentation or information with respect to the GE Group that does not relate exclusively to a Former GE Entity or the Former GE Business or (ii) GE be entitled to any documentation or information that does not relate to the Tax consequences to the GE Group members arising from their ownership of interests in BH Holdings.

Section 7.02 Tax Information.

(a) Obligation to Provide Information Upon Request.

(i) GE shall provide or cause to be provided to BHI promptly following any reasonable request (but in no event any later than 20 days following receipt of such request), information sought in connection with the preparation or filing of any Tax Return (including any amended Tax Return), the making of any permissible election related to Taxes, the preparation for any audit by any Taxing Authority, or the prosecution or defense of any Tax Contest; provided that in no event shall BHI be entitled to any information of the GE Group that (A) does not relate exclusively to a Former GE Entity or the Former GE Business, or (B) that cannot be located after reasonably diligent search.

(ii) BHI shall provide or cause to be provided to GE promptly following any reasonable request (but in no event any later than 20 days following receipt of such request), information sought in connection with the preparation of any Tax Return (including any amended Tax Return), the making of any permissible election related to Taxes, the preparation for any audit by any Taxing Authority, or the prosecution or defense of any Tax Contest; provided that in no event shall GE be entitled to any information of the BH Group that (A) does not relate exclusively to BH Holdings and its Subsidiaries and a Tax period during which at least one member of the GE Group owned an interest in BH Holdings, or (B) that cannot be located after reasonably diligent search.

(b) Obligation to Provide Information Received from a Governmental Entity.

(i) If any member of the GE Group receives any written communication (whether by e-mail, hand delivery or postal mail), notice or other document from a Governmental Entity with respect to a Former GE Entity GE shall promptly (and

in no event more than 5 days later) provide to BHI notification and a copy of any such communication received.

(ii) If any member of the BH Group receives any written communication (whether by e-mail, hand delivery or postal mail), notice or other document from a Governmental Entity with respect to BH Holdings that relates to the GE Group BHI shall promptly (and in no event more than 5 days later) provide to GE notification and a copy of any such communication received.

(c) Obligation to Retain Books and Records and Other Information. To ensure that the BH Group has access to the books, records, documents and other information that it may request pursuant to this Agreement, after the execution of this Agreement, GE will not and will cause its Subsidiaries to not intentionally destroy any books, records, documentation or other information which BHI may have the right to request and obtain pursuant to this Agreement during the period prior to the expiration of the applicable statute of limitations (without regard to extensions) and in no event at any time before the 30th day after the execution of this Agreement. In the event that a statute of limitations is extended and BHI informs GE of such extension, GE shall (1) at BHI's request, continue to retain such books, records, documents and other information, and (2) thereafter, upon a request from BHI, provide copies of such books, records, documents and other information to BHI (and GE shall have no obligation to retain any such books, records, or documents copies of which have been provided to BHI).

Section 7.03 Confidentiality. The terms set out in Section 7 of the Settlement Agreement shall apply to this Agreement (and all documents, communications, drafts, and other materials of any kind provided under this Agreement) as if set terms were set forth herein.

ARTICLE VIII.
ADDITIONAL MATTERS

Section 8.01 BH Holdings Representations and Covenants. Set forth on Schedule 8.01 of the Original TMA are certain representations and covenants relating to the Intended Tax Treatment of Schedule A Transactions. BH Holdings shall (and shall cause the other members of the BH Holdings Group to) not take or cause to be taken after the Effective Date any action that would cause to be untrue (or fail to take or cause not to be taken any action which inaction would cause to be untrue) any of the representations and covenants set forth on Schedule 8.01 of the Original TMA.

Section 8.02 [Reserved]

Section 8.03 Section 704(c) Methods. Notwithstanding anything to the contrary contained in the LLC Agreement, from the Effective Date, BHI shall cause the managing member of BH Holdings to select methods under Section 704(c) of the Code for BH Holdings, initially and with respect to subsequent occasions for Section 704(c) method selection in respect of BH Holdings' U.S. federal income tax returns for its 2017 through 2022 years, in such a manner that is projected to produce (taking into account the result of prior Section 704(c) method selections), to the extent reasonably possible, an annual allocation of depreciation and amortization with respect to all Book/Tax Difference Assets based on the applicable Allocable Shares. For purposes of this Section 8.03, depreciation and amortization with respect to all Book/Tax Difference Assets shall

include income and deduction items allocated pursuant to the traditional method with curative allocations (within the meaning of Treas. Reg. § 1.704-3(c)) or the "remedial allocation method" (within the meaning of Treas. Reg. § 1.704-3(d)) to the extent attributable to depreciation or amortization with respect to BH Holdings' directly held assets and with respect to the assets of any partnership in which BH Holdings holds a direct interest or an indirect interest through one or more pass-through entities.

Section 8.04 Sole Tax Sharing Agreement. This Agreement is the sole Tax sharing agreement between a member of one Group and a member of another Group.

Section 8.05 Dispute Resolution. Any controversy or claim arising out of or relating to this Agreement shall be settled under the Dispute Resolution Procedures.

Section 8.06 Assumption of Risk. By entering into this Agreement, the Parties assume the risk of any mistake. If any Party to this Agreement subsequently discovers that any fact relied upon by it in entering into this Agreement was untrue or that Party's understanding of the facts or of the law was incorrect, such Party shall not be entitled to any relief in connection therewith, including, without limitation, any alleged right or claim to set aside or rescind this Agreement; provided, however, that a Party may seek remedies in the case of a material misrepresentation or concealment of a material fact through the Dispute Resolution Procedures. For this purpose, a misrepresentation or concealment shall only be treated as material if it has a consequence in excess of $15 Million.

Section 8.07 Algesco JV. From the Effective Date, GE and BHI will cooperate in good faith to agree on and complete a process for accomplishing the Algesco JV share transfer, which process will include a timeline and incorporate both parties using reasonable best efforts to accomplish the transfer as soon as practicable after the Effective Date.

Section 8.08 Bank Guarantees Releases. From the Effective Date, GE shall cooperate in good faith to agree on and complete a process to release BHI from those bank guarantees required solely as a result of the Non-O&G Italy Litigation for periods on and after January 1, 2023.

Section 8.09 LLC Related Obligations. In connection with the GE Group's exit from BH Holdings, GE confirms that GE and each member of the GE Group that held any Units (as defined in the LLC Agreement) has the following continuing obligations:

(a) GE shall not, and shall ensure that each member of the GE Group shall not, treat on its separate income tax returns, any item of income, gain, loss, deduction or credit relating to such entity's interest in BH Holdings in a manner inconsistent with the treatment of such item by BH Holdings as reflected in the IRS Form K-1 or other information statement furnished to such entity by BH Holdings.

(b) If BH Holdings or any of its Subsidiaries is obligated to pay any Tax to a Governmental Entity that is specifically attributable to a GE Group member's status as a Member (as defined in the LLC Agreement), then GE shall indemnify the BH Group in full for the entire amount paid (including interest, penalties and related expenses). GE's obligation to indemnify BH Holdings or any of its Subsidiaries under this section shall survive any termination, dissolution, liquidation and winding up of BH Holdings and its Subsidiaries, and for this purpose, BH Holdings and its Subsidiaries shall be treated as continuing in existence. GE hereby agrees to furnish and cause the GE Group members to furnish to BH Holdings or its Subsidiaries such information and forms as required or reasonably

requested in order to comply with any laws and regulations governing withholding of tax or in order to claim any reduced rate of, or exemption from, withholding to which any member of the GE Group is legally entitled.

Section 8.10 Change in Tax Law. In the event of any change in or successor U.S. federal statute to the Code or any change in or successor statute to other applicable Tax Law, the principles of this Agreement shall apply mutatis mutandis and the parties shall cooperate in good faith to apply such principles in such manner.

ARTICLE IX.
TAX CONTESTS

Section 9.01 Notice. Within twenty (20) days after a party becomes aware of the commencement of a Tax Contest that may give rise to Taxes for which another party has an indemnification obligation pursuant to this Agreement or with respect to which such other party has control or other rights under Section 9.02, such party shall notify the other party of such Tax Contest; provided that GE shall only be entitled to receive notice of a Tax Contest for which GE would have an indemnification obligation pursuant to this Agreement. Such notice shall provide that the notifying party may seek indemnification from the other party under this Agreement and shall attach copies of the pertinent portion of any written communication from a Taxing Authority and contain factual information (to the extent known) describing any asserted Tax liability in reasonable detail and shall be accompanied by copies of any notice and other documents received from any Taxing Authority in respect of any such matters; provided that in no event shall any party be entitled to any documentation or information with respect to the GE Group that does not relate exclusively to a GE O&G Subsidiary or GE O&G (except to the extent such information is otherwise required to be provided pursuant to this Agreement). A failure of a party to comply with this Section 9.01 shall not relieve the other party of its indemnification or other payment obligations under this Agreement, except to the extent such failure actually increases the amount of such other party's liability.

Section 9.02 Control of Tax Contests Related to GE Retained Matters. In the case of any Tax Contest with respect to any GE Retained Matter, GE shall have exclusive control over the Tax Contest, including exclusive authority with respect to any settlement of such Tax liability; provided, however, that BHI shall (1) upon request, be provided with updates regarding the status of such Tax Contests, (2) be kept reasonably informed regarding material developments related to such Tax Contest, and (3) be informed in advance regarding any settlement.

ARTICLE X.
GENERAL PROVISIONS

Section 10.01 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including e-mail transmission, so long as a receipt of such e-mail is requested and received by non-automated response). All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding business day in the place of receipt. All such notices, requests and other communications to any party hereunder shall be given to such party as follows:

If to any BH Party:

Baker Hughes Company
17021 Aldine Westfield Rd.
Houston, TX 77073
Attention: [redacted]
Email: [redacted]

If to GE:

General Electric Company
5 Necco Street
Boston, MA
Attention: [redacted]
[redacted]
Email: [redacted]
[redacted]

Section 10.02 Binding Effect. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns.

Section 10.03 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO ANY CHOICE OR CONFLICT OF LAW PROVISION OR RULE (WHETHER OF THE STATE OF DELAWARE OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE APPLICATION OF THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF DELAWARE.

Section 10.04 Counterparts; Electronic Transmission of Signatures. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, and delivered by means of electronic mail transmission or otherwise, each of which when so executed and delivered shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

Section 10.05 Assignment; No Third-Party Beneficiaries.

(a) This Agreement and all of the provisions hereto shall be binding upon and inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations set forth herein shall be assigned by any party hereto without the prior written consent of the other parties hereto and any purported assignment without such consent shall be void.

(b) Nothing in this Agreement shall be construed as giving any Person, other than the parties hereto and their heirs, successors, legal representatives and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provision hereof.

Section 10.06 Severability. If any provision of this Agreement shall be held to be illegal, invalid or unenforceable under any applicable Law, then such contravention or invalidity shall not invalidate the entire Agreement. Such provision shall be deemed to be modified to the extent necessary to render it legal, valid and enforceable, and if no such modification shall render it legal, valid and enforceable, then this Agreement shall be construed as if not containing the provision held to be invalid, and the rights and obligations of the parties hereto shall be construed and enforced accordingly.

Section 10.07 Entire Agreement. This Agreement and the Settlement Agreement constitute the entire agreement among the parties with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, among the parties with respect to the subject matter of this Agreement (including the Term Sheet). In the event of any inconsistency between this Agreement and the Term Sheet, this Agreement shall prevail.

Section 10.08 Amendments. This Agreement may not be amended or modified without the written consent of each of GE and BHI.

Section 10.09 Waiver. Any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived at any time by any of the parties entitled to the benefit thereof only by a written instrument signed by each such party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of or estopped with respect to, any subsequent or other failure.

Section 10.10 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of a party or any members of its Group, and no creditor who makes a loan to a party or any members of its Group may have or acquire (except pursuant to the terms of a separate agreement executed by the party in favor of such creditor) at any time as a result of making the loan any direct or indirect interest in this Agreement other than as a secured creditor.

Section 10.11 Further Action. The parties shall execute and deliver all documents, provide all information and take or refrain from taking such actions as may be reasonably necessary or appropriate to achieve the purposes of this Agreement; provided that, in no event shall any party be entitled to any documentation or information with respect to the GE Group that does not relate exclusively to a GE O&G Subsidiary or GE O&G.

Section 10.12 Right of Offset. Whenever a party is to pay any sum to any other party, any amounts that such party owes to the party which are not the subject of a good faith dispute may be deducted from that sum before payment.

Section 10.13 Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neutral forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa. The use of the word "including" in this Agreement shall be by way of example rather than by limitation. Reference to any agreement, document or instrument means such agreement, document or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. Without limiting the generality of the immediately preceding sentence, no amendment or other modification to any agreement, document or instrument that requires the consent of any Person

pursuant to the terms of this Agreement or any other agreement will be given effect hereunder unless such Person has consented in writing to such amendment or modification. Wherever required by the context, references to a Taxable Year shall refer to a portion thereof. The use of the words "or," "either" and "any" shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. Wherever a conflict exists between this Agreement and any other agreement, this Agreement shall control but solely to the extent of such conflict. References to agreements or other documents shall be deemed to refer to such agreement or other document as amended, restated, supplemented and/or otherwise modified from time to time. References to any Law or statute shall be deemed to refer to such Law or statute, together with the rules and regulations promulgated thereunder, in each case as may be amended from time to time and any successor thereto.

[Signature Pages Follow]

IN WITNESS WHEREOF, the undersigned have executed or caused to be executed on their behalf this Agreement as of the date first written above.

BAKER HUGHES, LLC

By: EHHC NewCo LLC, its Managing Member

By: /s/ Nancy Buese

Name: Nancy Buese
Title: Chief Financial Officer

GENERAL ELECTRIC COMPANY

By: /s/ Michael Schlesinger

Name: Michael Schlesinger

Title: VP - Tax

BAKER HUGHES COMPANY

By: /s/ Nancy Buese

Name: Nancy Buese
Title: Chief Financial Officer

EHHC NEWCO LLC

By: /s/ Nancy Buese

Name: Nancy Buese
Title: Chief Financial Officer

Baker Hughes Company Performance Share Unit Award Agreement For [●]
("Participant")

1. **Capitalized Terms**. Each capitalized term used but not defined in this Award Agreement (including Appendix A) shall have the meaning ascribed to such term in the Baker Hughes Company 2021 Long-Term Incentive Plan (the "**Plan**").

2. **Grant**. The Committee of Baker Hughes Company (the "**Company**") has granted Performance Share Units ("**PSUs**") to the individual named in this Award Agreement (the "**Participant**") on [●] (the "**Grant Date**"). Each PSU entitles the Participant an opportunity to earn and receive from the Company one share of Class A common stock of the Company, par value $0.0001 per share ("**Share**"), for which the restrictions set forth in paragraph 4 lapse in accordance with the terms of this Award Agreement, the Plan, any country specific addendums and any rules and procedures adopted by the Committee. The target number of PSUs reflected in the Participant's Plan account maintained by Fidelity Stock Plan Services (the "**Target PSUs**") is the number of PSUs that the Participant may earn if the Performance Condition is satisfied at the target level. The actual number of PSUs that the Participant may earn may be less than or more than the Target PSUs, depending upon actual performance and the service of the Participant, as specified in paragraph 4. Shares may be adjusted or converted into other property or cash pursuant to the provisions of the Plan.

3. **Dividend Equivalents**. Until such time as the restrictions lapse or the PSUs are cancelled, whichever occurs first, the Company shall establish an amount to be paid to the Participant equal to the number of PSUs subject to restriction times the per Share quarterly dividend payments made to stockholders of the Company's Shares ("**Dividend Equivalent**"). The Company will accumulate Dividend Equivalents and will pay the Participant an amount equal to the Dividend Equivalents accumulated and unpaid as of the date that the restrictions lapse (without interest) upon such lapse date. Notwithstanding the foregoing, any accumulated and unpaid Dividend Equivalents attributable to PSUs that are cancelled will not be paid and are immediately forfeited upon cancellation of the PSUs. Dividend Equivalents will be paid in cash or in Shares, or in a combination of cash and Shares, as determined by the Committee in its discretion.

4. **Restrictions**.

a. **Lapse of Restrictions Generally**. Except as specified in paragraph 6(a), restrictions on the PSUs will lapse to the extent that both the Service Condition and the Performance Condition are satisfied and once the Committee has certified the Performance Condition has been satisfied (the "**Normal Restriction Lapse Date**"). Subject to paragraphs 5 and 6, the "**Service Condition**" will be satisfied with respect to the PSUs only if the Participant has been continuously employed by the Company or one of its Subsidiaries through the Normal Restriction Lapse Date, and the "**Performance Condition**" will be satisfied with respect to between 0% and 150% of the Target PSUs based on the attainment of Relative Absolute Change in ROIC and Relative Cumulative ROIC and Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA performance conditions, adjusted by the Relative TSR modifier, in accordance with Appendix A. Prior to the issuance of any Shares pursuant to paragraph 7, except as specified in this Award Agreement (for example, in the event of an Involuntary Termination due to a Change in Control as described in paragraphs 5b and 6a), the Committee shall certify the extent, if any, to which the

Performance Condition was achieved. In no event will payment under this Award be made later than the date that is 2 ½ months after the calendar year in which both the Service Condition and the Performance Condition have been satisfied (or deemed satisfied) under the terms of this Award Agreement.

b. **Maximum Shares Limitation**. The maximum number of Shares the Participant may earn under this Award is Shares equal to 225% of the Target PSUs.

c. **Maximum Value Limitation**. In addition to any other limitation specified in this Award Agreement, notwithstanding anything in this Award Agreement to the contrary, if the Final Value of the Shares otherwise issuable on lapse of the restrictions on the PSUs, as determined in accordance with this Award Agreement, exceeds the applicable Maximum Value, the number of Shares issued to the Participant will be reduced so that the Final Value of the number of Shares issued is equal to such Maximum Value. "**Final Value**" means the closing price of a Share on the End Date, multiplied by the number of Shares otherwise issuable on lapse of the restrictions applicable to the PSUs (assuming for such purpose that the immediately preceding sentence did not apply). "**Maximum Value**" means the closing price of a Share on the Grant Date multiplied by the Target PSUs, multiplied by 5.

5. **Termination of Employment**. If the Participant's employment with the Company or any of its Subsidiaries terminates prior to the Normal Restriction Lapse Date, the PSUs shall be immediately cancelled, except as follows:

a. **Employment Termination Due to Death**. If the Participant's employment with the Company or any of its Subsidiaries terminates prior to the Normal Restriction Lapse Date as a result of the Participant's death, the Service Condition shall be deemed fully satisfied as of the date of such termination, and, subject to paragraph 6a, the PSUs shall remain subject to the Performance Condition.

b. **Involuntary Termination Following Certain Transactions.** If prior to the Normal Restriction Lapse Date (1) the Participant incurs an Involuntary Termination during the 24-month period following a Change in Control or (ii) during the 24-month period following a Covered Transaction the Participant incurs an Involuntary Full Severance of Employment in Connection With a Covered Transaction (in each case, as determined by the Committee in its sole discretion), the Service Condition shall be deemed to be fully satisfied for all PSUs awarded hereby on the date of the Participant's Involuntary Termination.

For the avoidance of doubt, the 24-month period following a Change in Control or a Covered Transaction includes the date of the consummation of the Change in Control or the Covered Transaction.

c. **Occurrence of Total Disability.** If on or after the first anniversary of the Grant Date and prior to the Normal Restriction Lapse Date, the Participant incurs a Total Disability, the Service Condition shall be deemed fully satisfied as of the date of such termination, and, subject to paragraph 6a, the PSUs shall remain subject to the Performance Condition.

d. **Other Involuntary Termination**. If on or after the first anniversary of the Grant Date and prior to the Normal Restriction Lapse Date, the Participant incurs an Involuntary Termination,

and paragraph 5b does not apply, then as of the date of such Involuntary Termination, the Service Condition shall be deemed satisfied with respect to the applicable Pro-Rata Portion, and such Pro-Rata Portion of the PSUs shall remain subject to the Performance Condition (except as specified in paragraph 6a).

e. **Termination of Employment Due to Other Reasons.** If the Participant incurs a Termination of Employment for any reason other than as specified in paragraphs 5a, 5b, 5c, or 5d then the PSUs shall be immediately cancelled.

f. **Definitions**. For purposes of this Award Agreement, the following terms have the meanings specified below:

i. "**Company Group**" means the Company and entities that, at the relevant times through the date of the Participant's Termination of Employment, are Subsidiaries.

ii. "**Covered Transaction**" means a transaction other than a Change in Control that, in the determination of the Committee in its sole discretion, involves either (i) the formation of a joint venture to which the Company contributes assets or businesses comprising at least 30% of the Company (as measured in terms of assets, revenue, cash flow, net income and/or other parameters, in the discretion of the Committee) (a "**Covered Business**") and in which the Company retains an equity interest of at least 40%, or (ii) the disposition to the Company's shareholders of a Covered Business.

iii. "**Involuntary Full Severance of Employment in Connection With a Covered Transaction**" means an Involuntary Termination incurred in connection with the Covered Transaction as determined by the Committee in its sole discretion; provided, however, that a Participant shall not incur an Involuntary Full Severance of Employment in Connection With a Covered Transaction if, prior to the Normal Restriction Lapse Date, (i) the Participant receives an offer of employment from a Qualifying Successor (whether or not the Participant accepts such offer of employment) unless such offer of employment is for materially diminished base salary as compared to the Participant's base salary in effect immediately prior to the consummation of the Covered Transaction as determined by the Committee in its sole discretion, or (ii) the Participant transfers to, or continues the employment with, a Qualifying Successor on or following a Covered Transaction.

iv. "**Involuntary Termination**" means the Termination of Employment of the Participant (i) because the Participant's position with the Company Group is eliminated, (ii) because the Participant and the Company, or any Subsidiary (or, upon or following a Change in Control, any of their successors), terminates the employment of the Participant without Cause, (iii) because the Participant is no longer employed within the Company Group because the Participant becomes or remains employed by a Qualifying Successor, (iv) because on or within 24 months following and in connection with a Covered Transaction (as determined by the Committee in its sole discretion) the Participant resigns from employment with the Company, or any Subsidiary due to a material diminution of the Participant's base salary (as determined by the Committee in its sole discretion) within such period; provided that the Participant delivers written notice to the Participant's employer, either the Company or a Subsidiary (as applicable), of Participant's intention to terminate employment within 30 days following the occurrence of such material diminution of base salary and the Company or Subsidiary (as applicable) has not, within 30 days

following receipt of such written notice, corrected such diminution (in which case such resignation shall be effective immediately upon the expiration of the cure period or such other date that would remain within the short term deferral period for purposes of Section 409A as agreed in writing by the Participant and such employer), or (v) because, on or within 24 months following a Change in Control, the Participant resigns from employment with the Company, or any Subsidiary (or, upon or following a Change in Control any of their successors), due to a reason that would qualify as an event that is a "Good Reason" within the meaning of the Baker Hughes Company Executive Change in Control Severance Plan (as determined by the Committee), whether or not the Participant is a participant in the Baker Hughes Company Executive Change in Control Severance Plan; provided, however, provided that the Participant delivers written notice to the Committee of Participant's intention to terminate employment within 30 days following the occurrence of the Good Reason event and the Company or Subsidiary (or, upon or following a Change in Control any of their successors) as applicable, has not, within 30 days following receipt of such written notice, corrected such Good Reason event (in which case such resignation shall be effective immediately upon the expiration of the cure period or such other date that would remain within the short term deferral period for purposes of Section 409A as agreed in writing by the Participant and the Participant's employer (for the avoidance of doubt, treating all references to Committee for purposes of this clause (v) as the "Committee" within the meaning of the Baker Hughes Company Executive Change in Control Severance Plan). For purposes of this Award Agreement, an "Involuntary Termination" does not include (i) a Termination of Employment for Cause, (ii) the Participant's death or Termination of Employment due to disability or retirement, (iii) a voluntary Termination of Employment by the Participant, or (iv) the transfer or continuation of the employment of the Participant to or with the Company or an entity that is then a Subsidiary (or, following a Change in Control, any of their successors).

v. "**Pro-Rata Portion**" shall mean the total number of PSUs covered by this Award multiplied by a fraction, the numerator of which is the total number of complete months which have elapsed between the Grant Date and the date of Involuntary Termination and the denominator of which is 36.

vi. "**Qualifying Successor**" means (1) an entity (or entities) holding assets or businesses comprising a Covered Business that is disposed of to the Company's shareholders in a Covered Transaction and entities that are affiliated with such entity under section 414 of the Code, (2) a joint venture to which the Company contributes assets or businesses comprising a Covered Business and entities that are affiliated with such entity under section 414 of the Code.

vii. "**Termination of Employment**" means the Participant is no longer employed by the Company or any entity that is then a Subsidiary without a contemporaneous transfer of employment to the Company or an entity that is then a Subsidiary.

viii. **"Total Disability**" means the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Company or any of its Subsidiaries.

6. **Transactions Involving the Company or Peers**.

a. **Change in Control of the Company**. In the event of a Change in Control, the Performance Condition shall be deemed satisfied at the target level of performance with respect to the Target PSUs that have not theretofore been forfeited, and, except as specified above in this Award Agreement, the Target PSUs shall remain subject to the Service Condition.

b. **Covered Transaction.** In the event of a Covered Transaction, if paragraph 5b or paragraph 5d applies to the Participant and the Committee has determined in its sole discretion that the Participant has incurred an Involuntary Termination in connection with the Covered Transaction, the Performance Condition shall be deemed satisfied at the greater of (1) the target level of performance or (2) the actual performance through the date of the Covered Transaction (calculated based upon the most recent results that have then been reported through the calendar quarter immediately preceding the date of the Covered Transaction) with respect to the Target PSUs that have not theretofore been forfeited.

c. **Transactions Involving Peers**. Notwithstanding anything in this Award Agreement (other than Section 3d of Appendix A) to the contrary, for purposes of the Performance Condition in Appendix A, in the event that, prior to the End Date, there occurs:

i. a merger, acquisition or business combination transaction of a Peer with or by another Peer, only the surviving entity shall remain a Peer;

ii. a merger of a Peer with an entity that is not a Peer, or the acquisition or business combination transaction by or with a Peer, or with an entity that is not a Peer, in each case where such Peer is the surviving entity and remains publicly traded, such Peer shall remain a Peer;

iii. a merger or acquisition or business combination transaction of a Peer by or with an entity that is not a Peer or a "going private" transaction involving a Peer where such Peer is not the surviving entity or is otherwise no longer publicly traded, such Peer shall no longer be a Peer;

iv. a stock distribution from a Peer consisting of the shares of a new publicly traded company (a "spin-off"), such Peer shall remain a Peer, such distribution shall be treated as a dividend from such Peer based on the closing price of the shares of the spun-off company on its first day of trading and the Annual ROIC of the spun-off company shall not thereafter be tracked for purposes of calculating the Annual ROIC, the Cumulative ROIC, the Cumulative Free Cash Flow of the spun-off company and the Adjusted EBITDA of the spun-off company shall not thereafter be tracked for purposes of calculating Cumulative Free Cash Flow and Adjusted EBITDA, and the performance of the shares of the spun-off company shall not thereafter be tracked for purposes of calculating TSR, and the performance of the shares of the spun-off company shall not thereafter be tracked for purposes of calculating TSR; or

v. a bankruptcy or liquidation of a Peer, the Absolute Change in ROIC of such Peer shall be ranked last for purposes of determining the Relative Absolute Change in ROIC, and the Cumulative ROIC of such peer shall be ranked last for purposes of determining the Relative Cumulative ROIC, the Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA of such Peer shall be ranked last for purposes of determining the Relative Cumulative Free Cash Flow

Divided by Cumulative Adjusted EBITDA, and the TSR of such Peer shall be ranked last for purposes of determining the Relative TSR.

7. **Issuance and Withholding Tax**. Upon such date as both the Service Condition and the Performance Condition restrictions lapse pursuant to this Award Agreement, the Company shall issue to the Participant such Shares with respect to the portion, if any, of the PSUs for which the restrictions lapse in accordance with this Award Agreement. No later than the date as of which an amount with respect to the PSUs first becomes includable in the gross income of the Participant for applicable income tax purposes, the Participant shall pay to the Company or make arrangements satisfactory to the Company regarding payment of any federal, state, local or foreign taxes of any kind required or permitted to be withheld with respect to such amount.

8. **Amendment/Termination**. The Company shall have the right at any time in its sole discretion to amend, alter, or terminate the PSUs without the consent of the Participant; provided, however, that no such amendment, alteration or termination shall occur if reasonably likely to significantly diminish the rights of the Participant without the Participant's consent; provided further that no such consent shall be required with respect to any amendment, alteration or termination of the PSUs if the Board determines in its sole discretion that such amendment, alteration, or termination either (i) is required or advisable to satisfy or conform to any applicable law, regulation or accounting standard or (ii) is in accordance with paragraph 9. Notwithstanding the foregoing, no amendment of the PSUs may be made that would cause the Participant to become subject to additional taxes under Section 409A of the Code ("**Section 409A**"). Also, the PSUs shall be null and void to the extent the grant of PSUs or the lapse of restrictions thereon is prohibited under the laws of the country of residence of the Participant.

9. **Recoupment**. Notwithstanding any other provision of this Award to the contrary, the PSUs, any Shares issued in settlement of the PSUs, and any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with any recoupment policy that the Company may adopt from time to time.

10. **Plan Terms**. All terms used in this Award have the same meaning as given such terms in the Plan, a copy of which will be furnished upon request. This Award is subject to the terms of the Plan, which terms are incorporated by reference.

11. **Data Privacy**. The Company, the stock brokerage or other financial or administrative services firm designated by the Company (the "**Stock Plan Administrator**"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan administer and maintain the data regarding the Plan, the participants and the awards granted to Participant who is an employee in the group consisting of the Company and its Subsidiaries (the "**Company Group**") worldwide. Participant authorizes the Company, the Stock Plan Administrator that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Employee Personal Data (as defined below), in electronic or other form, for the sole purpose of implementing, administering and managing Participant's participation in the Plan. The data administered and maintained by the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan includes information that may be considered

personal data, including *Participant's name, home address, email address and telephone number, date of birth, social security or insurance number, passport number or other identification number, salary, nationality, and any Shares or directorships held in the Company, and details of this Award or any other entitlement to Shares, canceled, exercised, vested, unvested or outstanding in Participant's favor* ("**Employee Personal Data**"). Participant further acknowledge that Participant understands that the countries to which Participant's Employee Personal Data may be transferred may have data protection standards that are different than those in Participant's home country and that offer a level of data protection that is less than that in Participant's home country. Further, Participant understand that Participant is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke Participant's consent, Participant's service status and career will not be affected; the only consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant the PSUs or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing Participant's consent may affect Participant's ability to participate in the Plan.

12. **Repatriation; Compliance with Law**. Participant agrees to repatriate all payments attributable to the Shares acquired under the Plan in accordance with applicable foreign exchange rules and regulations in Participant's country of employment (and country of residence, if different). In addition, Participant agrees to take any and all actions, and consent to any and all actions taken by the Company and any of its Subsidiaries and affiliated companies, as may be required to allow the Company and any of its Subsidiaries and affiliated companies to comply with local laws, rules and/or regulations in Participant's country of employment (and country of residence, if different). Finally, Participant agrees to take any and all actions as may be required to comply with Participant's personal obligations under local laws, rules and/or regulations in Participant's country of employment and country of residence, if different).

13. **Electronic Delivery**. Participant agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company and its Subsidiaries or affiliated companies may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan. By accepting this Award, Participant also hereby consents to participate in the Plan through such system, intranet, or website, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions.

14. **Nontransferability**. Except as specified in this Award Agreement, this Award and this Award Agreement are not transferable or assignable by Participant other than by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the Code or Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, or similar order.

15. **Section 409A**. This Award is intended to be exempt from Section 409A. To the extent applicable, the Plan and any award document governing an award granted under the Plan ("**Award Document**") shall be interpreted in accordance with Section 409A and interpretive guidance issued thereunder. Notwithstanding any contrary provision in the Plan or an Award Document, if the

Committee determines that any provision of the Plan or an Award Document contravenes any regulations or guidance promulgated under Section 409A or would cause an Award to be subject to additional taxes, accelerated taxation, interest and/or penalties under Section 409A, the Committee may modify or amend such provision of the Plan or Award Document without consent of the Participant in any manner the Committee deems reasonable or necessary. In making such modifications the Committee shall attempt, but shall not be obligated, to maintain, to the maximum extent practicable, the original intent of the applicable provision without contravening the provisions of Section 409A. Moreover, any discretionary authority that the Committee may have pursuant to the Plan shall not be applicable to an Award that is subject to Section 409A to the extent such discretionary authority would contravene Section 409A.

16. **Adjustments to Award**. This Award is subject to adjustments pursuant to Section 4b of the Plan. In the event of any conflict or inconsistency between the Plan and any Award Document, the Award Document shall govern and the Plan shall be interpreted to minimize or eliminate any such conflict or inconsistency.

17. **Entire Agreement**. This Award, the Plan, country specific addendums and the rules and procedures adopted by the Committee contain all of the provisions applicable to the PSUs and no other statements, documents or practices may modify, waive or alter such provisions unless expressly set forth in writing, signed by an authorized officer of the Company and delivered to the Participant.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933, as amended.

Appendix A

Performance Condition

Section 1. *Definitions*. As used in this Appendix A, the following terms shall have the meanings set forth below:

(a) "**Absolute Change in ROIC**" means the Annual ROIC of the Company or a Peer for the last calendar year of the Performance Period, *minus* the Annual ROIC of the Company or such Peer for the calendar year that immediately precedes the first year of the Performance Period; *provided* that, if a Peer's fiscal year is not the calendar year, "Absolute Change in ROIC" means the Annual ROIC of such Peer for the fiscal year of such Peer that ends during the Performance Period, *minus* the Annual ROIC of such Peer for the fiscal year of such Peer that ends in the calendar year that immediately precedes the first year of the Performance Period.

(b) **"Adjusted EBITDA**" means operating income adjusted for restructuring, separation, impairments, and certain other charges, plus depreciation and amortization.

(c) "**Annual ROIC**" of the Company or a Peer for a calendar year or fiscal year, as applicable, means the quotient obtained by *dividing* the Net Operating Profit After Tax of the Company or such Peer for such year *by* the average of the Invested Capital of the Company or such Peer for such year.

(d) **"Cumulative Adjusted EBITDA"** of the Company or a Peer, as applicable, means the cumulative Adjusted EBITDA of the Company or the Peer for the three years in the Performance Period.

(e) **"Cumulative Free Cash Flow"** of the Company or a Peer, as applicable, means cumulative Free Cash Flow for the three years in the Performance Period.

(f) "**Cumulative ROIC**" of the Company or a Peer, as applicable, means the quotient obtained by dividing the Cumulative Net Operating Profit After Tax of the Company or such Peer for the three years of the Performance Period by the average of the Invested Capital of the Company or such Peer across the Performance Period, divided by three.

(g) "**Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA**" of the Company or a Peer, as applicable, means the cumulative Free Cash Flow of the Company or a Peer for the three years in the Performance Period, divided by the Cumulative Adjusted EBITDA of the Company or the Peer for the three years in the Performance Period.

(h) "**End Date**" means December 31, [●].[1]

(i) "**End Price**" with respect to a Share or a Peer Share means the average of the closing price of such Share or Peer Share on the applicable Principal Exchange on each trading day in

[1] Insert the last year of the Performance Period.

December [●][2] assuming dividends distributed during the period beginning December 1, [●][3] were reinvested in additional shares of the issuing company's stock on the ex-dividend date. The Committee shall adjust equitably the End Price with respect to a Share or Peer Share, as calculated in accordance with the preceding sentence, to reflect any corporate transaction or event set forth in Section 4(b) of the Plan that affects such Share or Peer Share if such adjustment is appropriate to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Award.

(j) "**Free Cash Flow**" of the Company or a Peer for a calendar year or fiscal year, as applicable, means cash flow from operations less expenditures for capital assets plus proceeds from the disposal of assets.

(k) "**Invested Capital**" means the sum of (i) accounts receivable, (ii) inventory, (iii) property, plant and equipment, (iv) accounts payable, (v) goodwill, (vi) intangibles, (vii) progress collections and deferred income and (viii) contract and other deferred assets, each as recorded on the balance sheet of the Company or a Peer, as applicable.

(l) "**Net Operating Profit After Tax**" of the Company or a Peer for a calendar year or fiscal year or across the Performance Period, as applicable, means reported operating income, plus other income minus reported tax expense.

(m) "**Peer**" means [●].[4]

(n) "**Peer Share**" means the share of common stock of a Peer that is quoted or traded on a national securities exchange.

(o) "**Performance Period**" means the period beginning on the Start Date and ending on the End Date.

(p) "**Principal Exchange**" means the principal U.S. securities exchange on which a Share or Peer Share is quoted or traded as of an applicable date. For the avoidance of doubt, a Share or Peer

[2] Insert the last year of the Performance Period.

[3] Insert year that precedes the year of the Start Date.

[4] Insert TechnipFMC plc and list each company that, as of the Start Date, is included in (1) the PHLX Oil Service Sector (OSX) index which on January 1, 2023 includes ChampionX Corporation; USA Compression Partners, LP; Cactus, Inc.; Core Laboratories N.V.; Golar LNG Limited; Halliburton Company; Helmerich & Payne, Inc.; Nabors Industries Ltd.; NOV Inc.; Oceaneering International, Inc.; Oil States International, Inc.; Dril-Quip, Inc.; Schlumberger N.V.; Hess Corporation; and Transocean Ltd. or (2) the S&P 500 Industrials Sector Index (SRIN) which on January 1, 2023 includes American Airlines Gp; Alaska Air Group; Allegion Plc; Ametek Inc; Smith A.O. Corp; Boeing Company; Carrier Global Corp; Caterpillar Inc; C.H. Ronson Ww; Cummins Inc; Copart Inc; Costar Group Inc; CSX Corp; Cintas Corp; Delta Air Lines Inc; Deere & Company; Dover Corp; Equifax Inc; Emerson Electric Company; Eaton Corp; Expeditors Intl; Fastenal Company; Fedex Corp; Fortive Corp; Generaly Dynamics Corp; General Electric Company; Generac Holdings Inc; W.W Gainger; Huntington Ingalls Industries; Honeywell International Inc; Howmet Aerospace Inc; Idex Corp; Ingersoll Rand Inc; Illinois Tool Works Inc; Jacobs Engineering Group Inc; J B Hunt Transport; Johnson Controls Intl; Leidos Holdings Inc; L3Harris Technologies Inc; Lockheed Martin Corp; Southwest Airlines Company; Masco Corp; 3M Company; Nordson Corp; Northrop Grumon Corp; Norfolk Southern Corp; Old Dominion Freight Line Inc; Otis Worldwide Corp; Paccar Inc; Parker-Hannifin Corp; Pentair Ltd; Quanta Services; Robert Half International Inc; Rockwell Automation Inc; Rollins Inc; Republic Services; Raytheon Technologies Corp; Snap-On Inc; Stanley Black & Decker Inc; Transdigm Group Inc; Trane Technologies Plc; Textron Inc; United Airlines Holdings Inc; Union Pacific Corp; United Parcel Service; United Rentals; Verisik Analytics Inc; Wabtec Corp; Waste Management and Xylem Inc.

Share that is quoted or traded only over the counter shall not be deemed to be quoted or traded on a Principal Exchange.

(q) "**Relative Absolute Change in ROIC**" means the percentile ranking of the Absolute Change in ROIC of the Company in relation to the Absolute Change in ROIC of each of the Peers, as calculated by the Committee in good faith applying a reasonable statistical method.

(r) "**Relative Cumulative ROIC**" means the percentile ranking of the Cumulative ROIC of the Company in relation to the Cumulative ROIC of each of the Peers, as calculated by the Committee in good faith applying a reasonable statistical method.

(s) "**Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA**" means the percentile ranking of the Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA of the Company in relation to the Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA of each of the Peers, as calculated by the Committee in good faith applying a reasonable statistical method.

(t) "**Relative TSR**" means the percentile ranking of the TSR of a Share in relation to the TSR of each of the Peers' Shares, as calculated by the Committee in good faith applying a reasonable statistical method.

(u) "**Start Date**" means January 1, [●].[5]

(v) "**Start Price**" with respect to a Share or a Peer Share means the average of the closing price of such Share or Peer Share on the applicable Principal Exchange on each trading day in December [●][6], assuming dividends distributed during December [●] were reinvested in additional shares of the issuing company's stock on the ex-dividend date. Notwithstanding the foregoing, the Committee shall adjust equitably the Start Price with respect to a Peer Share, as calculated in accordance with the preceding sentence, to reflect any corporate transaction or event set forth in Section 4(b) of the Plan that affects such Peer Share if such adjustment is appropriate to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Award Agreement.

(w) "**TSR**" with respect to a Share or Peer Share means total shareholder return with respect to such Share or Peer Share, expressed as a percentage, which will be calculated by (i) dividing (x) the End Price of such Share or Peer Share by (y) the Start Price such Share or Peer Share and (ii) subtracting one from the quotient.

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[5] Insert the first year of the Performance Period.

[6] Insert year that precedes the year of the Start Date.

Section 2. *Weighting of Performance Conditions*.

The payout for the number of Performance Units awarded to a Participant under a Performance Unit Award will be determined under Section 3 and will be based in part upon the achievement of the following weighted Performance Goals: (1) Relative Absolute Change in ROIC and Relative Cumulative ROIC and (2) Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA. The (1) Relative Absolute Change in ROIC and Relative Cumulative ROIC and (2) Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA Performance Goals are equally weighted. That is, the Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA Performance Goal has a weighting of 50 percent. The Relative Absolute Change in ROIC and Relative Cumulative ROIC Performance Goals collectively have a weighting of 50 percent and are split equally with 25 percent weighted to Relative Absolute Change in ROIC and 25 percent weighted to Relative Cumulative Average ROIC.

Section 3. *Performance Condition Attainment*.

(a) Relative Absolute Change in ROIC and Relative Cumulative ROIC. Relative Absolute Change in ROIC and Relative Cumulative ROIC will each be measured independently and then compared against the Peers. The average of those results will determine the preliminary Performance Condition attainment (prior to adjustment under paragraph (c) below by the Relative TSR modifier), with respect to 50 percent of the Target PSUs. The following table sets forth the percentage of such Target PSUs, prior to adjustments pursuant to paragraph (c) below (the "Preliminarily Adjusted Units") for which the Performance Condition will be deemed satisfied based on the attainment of Relative Absolute Change in ROIC and Relative Cumulative ROIC indicated in the corresponding row of the table.

Relative Absolute Change in ROIC / *R*elative Cumulative ROIC (Percentile v. Peers)	Performance Condition Attainment for Relative Absolute Change in ROIC / Relative Cumulative ROIC	Total Performance Condition Attainment (Average of Relative Absolute Change in ROIC Attainment and Relative Cumulative ROIC Attainment)
≥ 75	150%	150%
50	100%	100%
25	50%	50%
<25	0%	0%

If Relative Absolute Change in ROIC or Relative Cumulative ROIC exceeds the 25th percentile and is less than the 50th percentile, or if Relative Absolute Change in ROIC or Relative Cumulative ROIC exceeds the 50th percentile and is less than the 75th percentile, the percentage of the PSUs for which the Performance Condition will be deemed satisfied will be subject to straight-line interpolation between the applicable corresponding percentages set forth in the table. For purposes of illustration only, if Relative Absolute Change in ROIC is attained at the 35th percentile, resulting in 70% performance attainment, and Relative Cumulative ROIC is attained at the 20th percentile, resulting in 0% performance attainment, the percentage of the PSUs for which the Performance Condition will be deemed satisfied will equal 35% (i.e., the average of 70% and 0%).

(b) Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA. Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA will be measured independently and then compared against the Peers. The average of those results will determine the preliminary Performance Condition attainment (prior to adjustment under paragraph (c) below by the Relative TSR modifier), with respect to 50 percent of the Target PSUs. The following table sets forth the percentage of such Target PSUs, prior to adjustments pursuant to paragraph (c) below the Preliminarily Adjusted Units, for which the Performance Condition will be deemed satisfied based on the attainment of Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA indicated in the corresponding row of the table:

Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA (Percentile v. Peers)	Performance Condition Attainment for Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA
≥ 75	150%
50	100%
25	50%
<25	0%

If Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA exceeds the 25th percentile and is less than the 50th percentile, or if Relative Cumulative Free Cash Flow Divided by Cumulative Adjusted EBITDA exceeds the 50th percentile and is less than the 75th percentile, the percentage of the PSUs for which the Performance Condition will be deemed satisfied will be subject to straight-line interpolation between the applicable corresponding percentages set forth in the table.

(c) Relative TSR Modifier. The final number of Shares to be paid under this Award Agreement will be calculated by adjusting the Participant's total Preliminarily Adjusted Units upwards or downwards based on the Company's Relative TSR performance compared to the Peers. The adjustment will be based on the table below.

Relative TSR Percentile Rank	**TSR Modifier**
25th Percentile or Less	-50%
50th Percentile	0%
75th Percentile or Greater	50%

If Relative TSR percentile rank exceeds the 25th percentile and is less than the 50th percentile, or if Relative TSR percentile rank exceeds the 50th percentile and is less than the 75th percentile, the TSR Modifier will be determined by straight-line interpolation between the applicable corresponding percentages set forth in the table.

The total Award earned is calculated by first multiplying the number of the Preliminarily Adjusted Units by the TSR Modifier. The sum of (1) the Preliminarily Adjusted Units and (2) the product of the Preliminarily Adjusted Units and the TSR Modifier, not in excess of 225% of the Target Shares, is the Final Adjusted Units. Subject to the maximum value limitation set forth in paragraphs 4c of the Award Agreement, each Final Adjusted Unit represents a right to receive one Share. In no event will the Final

Adjusted Units be less than zero. In no event will the number of Shares issued to the Participant under the Award exceed the maximum value limitation set forth in paragraph 4c of the Award Agreement.

(d) Adjustments for Unusual or Nonrecurring Events. The Committee shall be authorized to remove a Peer or make adjustments to any of the performance metrics set forth in Appendix A as they apply to such Peer or Company in recognition of unusual or nonrecurring events affecting such Peers or Company, or the financial statements of such Peers or Company, or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such removal or adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits to be made available under this Award Agreement.

(e) Determination of Satisfaction of Performance Conditions Where Insufficient Data Filed by a Peer or Peers. If the Compensation Committee determines the Company's ability to timely pay no later than March 15 of the calendar year following the calendar year in which occurs the End Date would otherwise be jeopardized because the Compensation Committee does not have sufficient data to determine the extent to which the Performance Conditions have been satisfied due to a Peer's or Peers' delinquent filings with the Securities Exchange Commission, the Compensation Committee may determine the extent to which the Performance Conditions have been satisfied based upon the information that is available to the Compensation Committee and such determination shall be binding on all persons.

Baker Hughes Company Restricted Stock Unit Award Agreement For [●]
("Participant")

1. **Capitalized Terms**. Each capitalized term used but not defined herein shall have the meaning ascribed to such term in the Baker Hughes Company 2021 Long-Term Incentive Plan (the "**Plan**").

2. **Grant**. The Committee of Baker Hughes Company (the "**Company**") has granted Restricted Stock Units, with Dividend Equivalents as described in paragraph 3 ("**RSUs**"), to the individual named in this Award Agreement (the "**Participant**") on [●] (the "**Grant Date**"). Each RSU entitles the Participant to receive from the Company (i) one share of Class A common stock of the Company, par value $0.0001 per share ("**Share**"), for which the restrictions set forth in paragraph 4 lapse in accordance with their terms, and (ii) cash payments based on dividends paid to stockholders as set forth in paragraph 3, each in accordance with the terms of this Award, the Plan, any country specific addendums and any rules and procedures adopted by the Committee. Shares may be adjusted or converted into other property or cash pursuant to the provisions of the Plan.

3. **Dividend Equivalents**. Until such time as the following restrictions lapse or the RSUs are cancelled, whichever occurs first, the Company shall establish an amount to be paid to the Participant equal to the number of RSUs subject to restriction times the per Share quarterly dividend payments made to stockholders of the Company's Shares ("**Dividend Equivalent**"). The Company shall accumulate Dividend Equivalents and, upon the date that restrictions lapse, will pay the Participant an amount equal to the Dividend Equivalents accumulated and unpaid as of the date that restrictions lapse (without interest). Notwithstanding the foregoing, any accumulated and unpaid Dividend Equivalents attributable to RSUs that are cancelled will not be paid and are immediately forfeited upon cancellation of the RSUs. Dividend Equivalents will be paid in cash or in Shares, or in a combination of cash and Shares, as determined by the Committee in its discretion.

4. **Lapse of Restrictions**. Except as specified below, restrictions on the number of RSUs reflected in the Participant's Plan account maintained by Fidelity Stock Plan Services will lapse on the second anniversary of the Grant Date (the "**Normal Restriction Lapse Date**") only if the Participant has been continuously employed by the Company or one of its Subsidiaries to such date, such that on the Normal Restriction Lapse Date the restrictions will lapse as to all of the RSUs subject to this Award Agreement. The RSUs shall be immediately cancelled upon the date of the Participant's Termination of Employment except as follows:

a. **Termination of Employment Due to Death**. If prior to the Normal Restriction Lapse Date the Participant incurs a Termination of Employment as a result of the Participant's death, then restrictions on all RSUs shall immediately lapse.

b. **Involuntary Termination Without Cause Following Certain Transactions**. If prior to the second anniversary of the Grant Date (1) the Participant incurs an Involuntary Termination during the 24-month period following a Change in Control or (ii) during the 24-month period following a Covered Transaction the Participant incurs and Involuntary Full Severance of

Employment in Connection With a Covered Transaction, on the date of the Participant's Involuntary Termination restrictions on all RSUs shall immediately lapse. For the avoidance of doubt, the 24-month period following a Change in Control or a Covered Transaction includes the date of the consummation of the Change in Control or the Covered Transaction.

c. Occurrence of Total Disability. If on or after the first anniversary of the Grant Date and prior to the Normal Restriction Lapse Date, the Participant incurs a Total Disability, restrictions on all RSUs shall immediately lapse.

d. Other Involuntary Termination. If, prior to the Normal Restriction Lapse Date and on or after the first anniversary of the Grant Date, the Participant incurs an Involuntary Termination (as determined by the Committee in its sole discretion) and none of paragraphs 4a, 4b, or 4c is applicable, then restrictions on the Pro-Rata Portion of the RSUs shall immediately lapse on the date of the Participant's Involuntary Termination and the remaining RSUs covered by this Award shall be immediately cancelled. For purposes of this Award, the "**Pro-Rata Portion**" shall mean the total number of RSUs covered by this Award multiplied by a fraction, the numerator of which is the total number of complete months which have elapsed between the Grant Date and the date of termination and the denominator of which is 24.

e. Termination of Employment Due to Other Reasons. If the Participant incurs a Termination of Employment for any reason other than as specified in paragraphs 4a, 4b, 4c, or 4d, then the RSUs shall be immediately cancelled.

f. Definitions. For purposes of this Award Agreement, the following terms have the meanings specified below:

i. "**Company Group**" means the Company and entities that, at the relevant times through the date of the Participant's Termination of Employment, are Subsidiaries.

ii. "**Covered Transaction**" means a transaction other than a Change in Control that, in the determination of the Committee in its sole discretion, involves either (i) the formation of a joint venture to which the Company contributes assets or businesses comprising at least 30% of the Company (as measured in terms of assets, revenue, cash flow, net income and/or other parameters, in the discretion of the Committee) (a "**Covered Business**") and in which the Company retains an equity interest of at least 40%, or (ii) the disposition to the Company's shareholders of a Covered Business.

iii. "**Involuntary Full Severance of Employment in Connection With a Covered Transaction**" means an Involuntary Termination incurred in connection with the Covered Transaction as determined by the Committee in its sole discretion; provided, however, that a Participant shall not incur an Involuntary Full Severance of Employment in Connection With a Covered Transaction if, prior to the Normal Restriction Lapse Date (i) the Participant receives an offer of employment from a Qualifying Successor (whether or not the Participant accepts such offer of employment) unless such offer of employment is for materially diminished base salary as compared to the Participant's base salary in effect immediately prior to the consummation of the Covered Transaction as determined by the Committee in its sole discretion, or (ii) the Participant transfers to, or continues the employment with, a Qualifying Successor on or following a Covered Transaction.

iv. "**Involuntary Termination**" means the Termination of Employment of the Participant (i) because the Participant's position with the Company Group is eliminated, (ii) because the Participant and the Company, or any Subsidiary (or, upon or following a Change in Control, any of their successors), terminates the employment of the Participant without Cause, (iii) because the Participant is no longer employed within the Company Group because the Participant becomes or remains employed by a Qualifying Successor, (iv) because on or within 24 months following and in connection with a Covered Transaction (as determined by the Committee in its sole discretion) the Participant resigns from employment with the Company, or any Subsidiary due to a material diminution of the Participant's base salary (as determined by the Committee in its sole discretion) within such period; provided that the Participant delivers written notice to the Participant's employer, either the Company or a Subsidiary (as applicable), of Participant's intention to terminate employment within 30 days following the occurrence of such material diminution of base salary and the Company or Subsidiary (as applicable) has not, within 30 days following receipt of such written notice, corrected such diminution (in which case such resignation shall be effective immediately upon the expiration of the cure period or such other date that would remain within the short term deferral period for purposes of Section 409A as agreed in writing by the Participant and such employer), or (v) because, on or within 24 months following a Change in Control, the Participant resigns from employment with the Company, or any Subsidiary (or, upon or following a Change in Control any of their successors), due to a reason that would qualify as an event that is a "Good Reason" within the meaning of the Baker Hughes Company Executive Change in Control Severance Plan (as determined by the Committee), whether or not the Participant is a participant in the Baker Hughes Company Executive Change in Control Severance Plan; provided, however, provided that the Participant delivers written notice to the Committee of Participant's intention to terminate employment within 30 days following the occurrence of the Good Reason event and the Company or Subsidiary (or, upon or following a Change in Control any of their successors) as applicable, has not, within 30 days following receipt of such written notice, corrected such Good Reason event (in which case such resignation shall be effective immediately upon the expiration of the cure period or such other date that would remain within the short term deferral period for purposes of Section 409A as agreed in writing by the Participant and the Participant's employer (for the avoidance of doubt, treating all references to Committee for purposes of this clause (v) as the "Committee" within the meaning of the Baker Hughes Company Executive Change in Control Severance Plan). For purposes of this Award Agreement, an "Involuntary Termination" does not include (i) a Termination of Employment for Cause, (ii) the Participant's death or Termination of Employment due to disability or retirement, (iii) a voluntary Termination of Employment by the Participant, or (iv) the transfer or continuation of the employment of the Participant to or with the Company or an entity that is then a Subsidiary (or, following a Change in Control, any of their successors).

v. "**Pro-Rata Portion**" shall mean the total number of RSUs covered by this Award multiplied by a fraction, the numerator of which is the total number of complete months which have elapsed between the Grant Date and the date of termination and the denominator of which is 24.

vi. "**Qualifying Successor**" means (1) an entity (or entities) holding assets or businesses comprising a Covered Business that is disposed of to the Company's shareholders in a Covered Transaction and entities that are affiliated with such entity under section 414 of the Code, (2) a joint venture to which the Company contributes assets or businesses comprising a Covered Business and entities that are affiliated with such entity under section 414 of the Code.

vii. "**Termination of Employment**" means the Participant is no longer employed by the Company or any entity that is a Subsidiary without a contemporaneous transfer of employment to the Company or an entity that is then a Subsidiary.

viii. **"Total Disability**" means the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Company or any of its Subsidiaries.

5. **Issuance and Withholding Tax**. Upon the Normal Restriction Lapse Date, or such earlier date the restrictions lapse pursuant to paragraph 4, the Company shall issue to the Participant such Shares with respect to the portion, if any, of the RSUs for which the restrictions lapse in accordance with this Award Agreement. No later than the date as of which an amount with respect to the RSUs first becomes includable in the gross income of the Participant for applicable income tax purposes, the Participant shall pay to the Company or make arrangements satisfactory to the Company regarding payment of any federal, state, local or foreign taxes of any kind required or permitted to be withheld with respect to such amount.

6. **Alteration/Termination**. The Company shall have the right at any time in its sole discretion to amend, alter, or terminate the RSUs without the consent of the Participant; provided, however, that no such amendment, alteration or termination shall occur if reasonably likely to significantly diminish the rights of the Participant without the Participant's consent; and provided further that no such consent shall be required with respect to any amendment, alteration or termination of the RSUs if the Board determines in its sole discretion that such amendment, alteration, or termination either (i) is required or advisable to satisfy or conform to any applicable law, regulation or accounting standard or (ii) is in accordance with paragraph 7. Notwithstanding the foregoing, no amendment of the RSUs may be made that would cause the Participant to become subject to additional taxes under Section 409A of the Code ("**Section 409A**"). Also, the RSUs shall be null and void to the extent the grant of RSUs or the lapse of restrictions thereon is prohibited under the laws of the country of residence of the Participant.

7. **Recoupment**. Notwithstanding any other provision of this Award to the contrary, the RSUs, any Shares issued in settlement of the RSUs, and any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with any recoupment policy that the Company may adopt from time to time.

8. **Plan Terms**. All terms used in this Award have the same meaning as given such terms in the Plan, a copy of which will be furnished upon request. This Award is subject to the terms of the Plan, which terms are incorporated by reference.

9. **Data Privacy**. The Company, the stock brokerage or other financial or administrative services firm designated by the Company (the "**Stock Plan Administrator**"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan administer and maintain the data regarding the Plan, the participants and the awards granted to participants for all employees

in the Company Group worldwide. Participant authorizes the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Employee Personal Data (as defined below), in electronic or other form, for the sole purpose of implementing, administering and managing Participant's participation in the Plan. The data administered and maintained by the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan includes information that may be considered personal data, including *Participant's name, home address, email address and telephone number, date of birth, social security or insurance number, passport number or other identification number, salary, nationality, and any Shares or directorships held in the Company, and details of this Award or any other entitlement to Shares, canceled, exercised, vested, unvested or outstanding in Participant's favor* ("**Employee Personal Data**"). Participant further acknowledges that Participant understands that the countries to which Participant's Employee Personal Data may be transferred may have data protection standards that are different than those in Participant's home country and that offer a level of data protection that is less than that in Participant's home country. Further, Participant understands that Participant is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke Participant's consent, Participant's service status and career will not be affected; the only consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant the RSUs or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing Participant's consent may affect Participant's ability to participate in the Plan.

10. **Repatriation; Compliance with Law**. Participant agrees to repatriate all payments attributable to the Shares acquired under the Plan in accordance with applicable foreign exchange rules and regulations in Participant's country of employment (and country of residence, if different). In addition, Participant agrees to take any and all actions, and consent to any and all actions taken by the Company and any of its Subsidiaries and affiliated companies, as may be required to allow the Company and any of its Subsidiaries and affiliated companies to comply with local laws, rules and/or regulations in Participant's country of employment (and country of residence, if different). Finally, Participant agrees to take any and all actions as may be required to comply with Participant's personal obligations under local laws, rules and/or regulations in Participant's country of employment and country of residence, if different).

11. **Electronic Delivery**. Participant agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company and its Subsidiaries or affiliated companies may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan. By accepting this Award, Participant also hereby consents to participate in the Plan through such system, intranet, or website, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions.

12. **Nontransferability**. Except as specified in this Agreement, this Award and this Agreement are not transferable or assignable by Participant other than by will or the laws of descent and

distribution or pursuant to a "qualified domestic relations order" as defined by the Code or Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, or similar order.

13. **Section 409A**. This Award is intended to be exempt from Section 409A. In no event will payment under this Award be made later than the date that is 2 ½ months after the calendar year in which the forfeiture restrictions under this Award lapse. To the extent applicable, the Plan and any award document governing an award granted under the Plan ("**Award Document**") shall be interpreted in accordance with Section 409A and interpretive guidance issued thereunder. Notwithstanding any contrary provision in the Plan or an Award Document, if the Committee determines that any provision of the Plan or an Award Document contravenes any regulations or guidance promulgated under Section 409A or would cause an Award to be subject to additional taxes, accelerated taxation, interest and/or penalties under Section 409A, the Committee may modify or amend such provision of the Plan or Award Document without consent of the Participant in any manner the Committee deems reasonable or necessary. In making such modifications the Committee shall attempt, but shall not be obligated, to maintain, to the maximum extent practicable, the original intent of the applicable provision without contravening the provisions of Section 409A. Moreover, any discretionary authority that the Committee may have pursuant to the Plan shall not be applicable to an Award that is subject to Section 409A to the extent such discretionary authority would contravene Section 409A.

14. **Adjustments to Award**. This Award is subject to adjustments pursuant to Section 4b of the Plan. In the event of any conflict or inconsistency between the Plan and any Award Document, the Award Document shall govern and the Plan shall be interpreted to minimize or eliminate any such conflict or inconsistency.

15. **Entire Agreement**. This Award, the Plan, country specific addendums and the rules and procedures adopted by the Committee contain all of the provisions applicable to the RSUs and no other statements, documents or practices may modify, waive or alter such provisions unless expressly set forth in writing, signed by an authorized officer of the Company and delivered to the Participant.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933, as amended.

Baker Hughes Company Restricted Stock Unit Award Agreement For [●]
("Participant")

1. **Capitalized Terms**. Each capitalized term used but not defined herein shall have the meaning ascribed to such term in the Baker Hughes Company 2021 Long-Term Incentive Plan (the "**Plan**").

2. **Grant**. The Committee of Baker Hughes Company (the "**Company**") has granted Restricted Stock Units, with Dividend Equivalents as described in paragraph 3 ("**RSUs**"), to the individual named in this Award Agreement (the "**Participant**") on [●] (the "**Grant Date**"). Each RSU entitles the Participant to receive from the Company (i) one share of Class A common stock of the Company, par value $0.0001 per share ("**Share**"), for which the restrictions set forth in paragraph 4 lapse in accordance with their terms, and (ii) cash payments based on dividends paid to stockholders as set forth in paragraph 3, each in accordance with the terms of this Award, the Plan, any country specific addendums and any rules and procedures adopted by the Committee. Shares may be adjusted or converted into other property or cash pursuant to the provisions of the Plan.

3. **Dividend Equivalents**. Until such time as the following restrictions lapse or the RSUs are cancelled, whichever occurs first, the Company shall establish an amount to be paid to the Participant equal to the number of RSUs subject to restriction times the per Share quarterly dividend payments made to stockholders of the Company's Shares ("**Dividend Equivalent**"). The Company shall accumulate Dividend Equivalents and, upon the date that restrictions lapse, will pay the Participant an amount equal to the Dividend Equivalents accumulated and unpaid as of the date that restrictions lapse (without interest). Notwithstanding the foregoing, any accumulated and unpaid Dividend Equivalents attributable to RSUs that are cancelled will not be paid and are immediately forfeited upon cancellation of the RSUs. Dividend Equivalents will be paid in cash or in Shares, or in a combination of cash and Shares, as determined by the Committee in its discretion.

4. **Lapse of Restrictions**. Except as specified below, restrictions on one third of the number of RSUs reflected in the Participant's Plan account maintained by Fidelity Stock Plan Services will lapse on each of the first and second anniversaries of the Grant Date (each, a "**Normal Restriction Lapse Date**"), in each case, only if the Participant has been continuously employed by the Company or one of its Subsidiaries to such date, such that on the second Normal Restriction Lapse Date, the restrictions will have lapsed as to all of the RSUs subject to this Award Agreement. The RSUs shall be immediately cancelled upon the date of the Participant's Termination of Employment except as follows:

a. **Termination of Employment Due to Death**. If prior to the second anniversary of the Grant Date the Participant incurs a Termination of Employment as a result of the Participant's death, then restrictions on all remaining RSUs, to the extent not theretofore forfeited or paid, shall immediately lapse.

b. **Involuntary Termination Following Certain Transactions**. If prior to the second anniversary of the Grant Date (1) the Participant incurs an Involuntary Termination during the 24-

month period following a Change in Control or (ii) during the 24-month period following a Covered Transaction the Participant incurs an Involuntary Full Severance of Employment in Connection With a Covered Transaction (as determined by the Committee in its sole discretion), on the date of the Participant's Involuntary Termination restrictions on all remaining RSUs, to the extent not theretofore forfeited or paid, shall immediately lapse. For the avoidance of doubt, the 24-month period following a Change in Control or a Covered Transaction includes the date of the consummation of the Change in Control or the Covered Transaction.

c. **Occurrence of Total Disability**. If on or after the first anniversary of the Grant Date and prior to the Normal Restriction Lapse Date, the Participant incurs a Total Disability, restrictions on all remaining RSUs, to the extent not theretofore forfeited or paid, shall immediately lapse.

d. **Other Involuntary Termination**. If, prior to the Normal Restriction Lapse Date and on or after the first anniversary of the Grant Date, the Participant incurs an Involuntary Termination and none of paragraphs 4a, 4b, or 4c is applicable, then restrictions on the Pro-Rata Portion of the RSUs shall immediately lapse on the date of the Participant's Involuntary Termination and the remaining RSUs covered by this Award shall be immediately cancelled.

e. **Termination of Employment Due to Other Reasons**. If the Participant incurs a Termination of Employment for any reason other than as specified in paragraphs 4a, 4b, 4c, or 4d, then the remaining RSUs shall be immediately cancelled.

f. **Definitions.** For purposes of this Award Agreement, the following terms have the meanings specified below:

i. "**Company Group**" means the Company and entities that, at the relevant times through the date of the Participant's Termination of Employment, are Subsidiaries.

ii. "**Covered Transaction**" means a transaction other than a Change in Control that, in the determination of the Committee in its sole discretion, involves either (i) the formation of a joint venture to which the Company contributes assets or businesses comprising at least 30% of the Company (as measured in terms of assets, revenue, cash flow, net income and/or other parameters, in the discretion of the Committee) (a "**Covered Business**") and in which the Company retains an equity interest of at least 40%, or (ii) the disposition to the Company's shareholders of a Covered Business.

iii. "**Involuntary Full Severance of Employment in Connection With a Covered Transaction**" means an Involuntary Termination incurred in connection with the Covered Transaction as determined by the Committee in its sole discretion; provided, however, that a Participant shall not incur an Involuntary Full Severance of Employment in Connection With a Covered Transaction if, prior to the Normal Restriction Lapse Date (i) the Participant receives an offer of employment from a Qualifying Successor (whether or not the Participant accepts such offer of employment) unless such offer of employment is for materially diminished base salary as compared to the Participant's base salary in effect immediately prior to the consummation of the Covered Transaction as determined by the Committee in its sole discretion, or (ii) the Participant transfers to, or continues the employment with, a Qualifying Successor on or following a Covered Transaction.

iv. "**Involuntary Termination**" means the Termination of Employment of the Participant (i) because the Participant's position with the Company Group is eliminated, (ii) because the Participant and the Company, or any Subsidiary (or, upon or following a Change in Control, any of their successors), terminates the employment of the Participant without Cause, (iii) because the Participant is no longer employed within the Company Group because the Participant becomes or remains employed by a Qualifying Successor, (iv) because on or within 24 months following and in connection with a Covered Transaction (as determined by the Committee in its sole discretion) the Participant resigns from employment with the Company, or any Subsidiary due to a material diminution of the Participant's base salary (as determined by the Committee in its sole discretion) within such period; provided that the Participant delivers written notice to the Participant's employer, either the Company or a Subsidiary (as applicable), of Participant's intention to terminate employment within 30 days following the occurrence of such material diminution of base salary and the Company or Subsidiary (as applicable) has not, within 30 days following receipt of such written notice, corrected such diminution (in which case such resignation shall be effective immediately upon the expiration of the cure period or such other date that would remain within the short term deferral period for purposes of Section 409A as agreed in writing by the Participant and such employer), or (v) because, on or within 24 months following a Change in Control, the Participant resigns from employment with the Company, or any Subsidiary (or, upon or following a Change in Control any of their successors), due to a reason that would qualify as an event that is a "Good Reason" within the meaning of the Baker Hughes Company Executive Change in Control Severance Plan (as determined by the Committee), whether or not the Participant is a participant in the Baker Hughes Company Executive Change in Control Severance Plan; provided, however, provided that the Participant delivers written notice to the Committee of Participant's intention to terminate employment within 30 days following the occurrence of the Good Reason event and the Company or Subsidiary (or, upon or following a Change in Control any of their successors) as applicable, has not, within 30 days following receipt of such written notice, corrected such Good Reason event (in which case such resignation shall be effective immediately upon the expiration of the cure period or such other date that would remain within the short term deferral period for purposes of Section 409A as agreed in writing by the Participant and the Participant's employer (for the avoidance of doubt, treating all references to Committee for purposes of this clause (v) as the "Committee" within the meaning of the Baker Hughes Company Executive Change in Control Severance Plan). For purposes of this Award Agreement, an "Involuntary Termination" does not include (i) a Termination of Employment for Cause, (ii) the Participant's death or Termination of Employment due to disability or retirement, (iii) a voluntary Termination of Employment by the Participant, or (iv) the transfer or continuation of the employment of the Participant to or with the Company or an entity that is then a Subsidiary (or, following a Change in Control, any of their successors).

v. "**Pro-Rata Portion**" shall mean the total number of RSUs covered by this Award multiplied by a fraction, the numerator of which is the total number of complete months which have elapsed between the Grant Date and the date of Termination of Employment and the denominator of which is the total number of months between the Grant Date and the second anniversary of the Grant Date, less the number of RSUs for which the restrictions have lapsed prior to the date of Termination of Employment.

vi. "**Qualifying Successor**" means (1) an entity (or entities) holding assets or businesses comprising a Covered Business that is disposed of to the Company's shareholders in a

Covered Transaction and entities that are affiliated with such entity under section 414 of the Code, (2) a joint venture to which the Company contributes assets or businesses comprising a Covered Business and entities that are affiliated with such entity under section 414 of the Code.

vii. "**Termination of Employment**" means the Participant is no longer employed by the Company or any entity that is then a Subsidiary without a contemporaneous transfer of employment to the Company or an entity that is then a Subsidiary.

viii. **"Total Disability**" means the Participant is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Company or any of its Subsidiaries.

5. **Issuance and Withholding Tax**. Upon the Normal Restriction Lapse Date, or such earlier date the restrictions lapse pursuant to paragraph 4, the Company shall issue to the Participant such Shares with respect to the portion, if any, of the RSUs for which the restrictions lapse in accordance with this Award Agreement. No later than the date as of which an amount with respect to the RSUs first becomes includable in the gross income of the Participant for applicable income tax purposes, the Participant shall pay to the Company or make arrangements satisfactory to the Company regarding payment of any federal, state, local or foreign taxes of any kind required or permitted to be withheld with respect to such amount.

6. **Alteration/Termination**. The Company shall have the right at any time in its sole discretion to amend, alter, or terminate the RSUs without the consent of the Participant; provided, however, that no such amendment, alteration or termination shall occur if reasonably likely to significantly diminish the rights of the Participant without the Participant's consent; and provided further that no such consent shall be required with respect to any amendment, alteration or termination of the RSUs if the Board determines in its sole discretion that such amendment, alteration, or termination either (i) is required or advisable to satisfy or conform to any applicable law, regulation or accounting standard or (ii) is in accordance with paragraph 7. Notwithstanding the foregoing, no amendment of the RSUs may be made that would cause the Participant to become subject to additional taxes under Section 409A of the Code ("**Section 409A**"). Also, the RSUs shall be null and void to the extent the grant of RSUs or the lapse of restrictions thereon is prohibited under the laws of the country of residence of the Participant.

7. **Recoupment**. Notwithstanding any other provision of this Award to the contrary, the RSUs, any Shares issued in settlement of the RSUs, and any amount received with respect to any sale of any such Shares, shall be subject to potential cancellation, recoupment, rescission, payback or other action in accordance with any recoupment policy that the Company may adopt from time to time.

8. **Plan Terms**. All terms used in this Award have the same meaning as given such terms in the Plan, a copy of which will be furnished upon request. This Award is subject to the terms of the Plan, which terms are incorporated by reference.

9. **Data Privacy**. The Company, the stock brokerage or other financial or administrative services firm designated by the Company (the "**Stock Plan Administrator**"), or such other stock

plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan administer and maintain the data regarding the Plan, the participants and the awards granted to Participant who is an employee in the Company Group worldwide. Participant authorizes the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Employee Personal Data (as defined below), in electronic or other form, for the sole purpose of implementing, administering and managing Participant's participation in the Plan. The data administered and maintained by the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan includes information that may be considered personal data, including *Participant's name, home address, email address and telephone number, date of birth, social security or insurance number, passport number or other identification number, salary, nationality, and any Shares or directorships held in the Company, and details of this Award or any other entitlement to Shares, canceled, exercised, vested, unvested or outstanding in Participant's favor* ("**Employee Personal Data**"). Participant further acknowledges that Participant understands that the countries to which Participant's Employee Personal Data may be transferred may have data protection standards that are different than those in Participant's home country and that offer a level of data protection that is less than that in Participant's home country. Further, Participant understand that you are providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke Participant's consent, Participant's service status and career will not be affected; the only consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant the RSUs or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing Participant's consent may affect Participant's ability to participate in the Plan.

10. **Repatriation; Compliance with Law**. Participant agrees to repatriate all payments attributable to the Shares acquired under the Plan in accordance with applicable foreign exchange rules and regulations in Participant's country of employment (and country of residence, if different). In addition, Participant agrees to take any and all actions, and consent to any and all actions taken by the Company and any of its Subsidiaries and affiliated companies, as may be required to allow the Company and any of its Subsidiaries and affiliated companies to comply with local laws, rules and/or regulations in Participant's country of employment (and country of residence, if different). Finally, Participant agrees to take any and all actions as may be required to comply with Participant's personal obligations under local laws, rules and/or regulations in Participant's country of employment and country of residence, if different).

11. **Electronic Delivery**. Participant agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company and its Subsidiaries or affiliated companies may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan. By accepting this Award, Participant also hereby consents to participate in the Plan through such system, intranet, or website, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions.

12. **Nontransferability**. Except as specified in this Agreement, this Award and this Agreement are not transferable or assignable by Participant other than by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the Code or Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, or similar order.

13. **Section 409A**. This Award is intended to be exempt from Section 409A of the Internal Revenue Code of 1986, as amended. In no event will payment under this Award be made later than the date that is 2 ½ months after the calendar year in which the forfeiture restrictions under this Award lapse. To the extent applicable, the Plan and any award document governing an award granted under the Plan ("**Award Document**") shall be interpreted in accordance with Section 409A and interpretive guidance issued thereunder. Notwithstanding any contrary provision in the Plan or an Award Document, if the Committee determines that any provision of the Plan or an Award Document contravenes any regulations or guidance promulgated under Section 409A or would cause an Award to be subject to additional taxes, accelerated taxation, interest and/or penalties under Section 409A, the Committee may modify or amend such provision of the Plan or Award Document without consent of the Participant in any manner the Committee deems reasonable or necessary. In making such modifications the Committee shall attempt, but shall not be obligated, to maintain, to the maximum extent practicable, the original intent of the applicable provision without contravening the provisions of Section 409A. Moreover, any discretionary authority that the Committee may have pursuant to the Plan shall not be applicable to an Award that is subject to Section 409A to the extent such discretionary authority would contravene Section 409A.

14. **Adjustments to Award**. This Award is subject to adjustments pursuant to Section 4b of the Plan. In the event of any conflict or inconsistency between the Plan and any Award Document, the Award Document shall govern and the Plan shall be interpreted to minimize or eliminate any such conflict or inconsistency.

15. **Entire Agreement**. This Award, the Plan, country specific addendums and the rules and procedures adopted by the Committee contain all of the provisions applicable to the RSUs and no other statements, documents or practices may modify, waive or alter such provisions unless expressly set forth in writing, signed by an authorized officer of the Company and delivered to the Participant.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933, as amended.

Baker Hughes

Confidential

WITHOUT PREJUDICE SUBJECT TO CONTRACT

Dated 20 December 2022

BAKER HUGHES ENERGY TECHNOLOGY UK LTD

and

NEIL SAUNDERS

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SETTLEMENT AGREEMENT

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THIS AGREEMENT is dated 20 December 2022 and is made BETWEEN:

1) BAKER HUGHES ENERGY TECHNOLOGY UK LTD a company registered in the United Kingdom at 2 High Street, Nailsea, Bristol, BS48 1BS (the Company); and

2) NEIL SAUNDERS of Charnwood House, Rankers Lane, Compton Dando, BS39 4JY

WHEREAS:

(A) The Employee asserts various claims against the Company arising out of the termination of the Employment including, but not limited to, unfair dismissal and breach of contract.

(B) The Employee and the Company have entered into this Agreement to record and implement the terms on which they have agreed to compromise and settle such claims and any other claims which the Employee may have in connection with the Employment, or the Employment Contract, or its or their termination, or otherwise against the Company and/or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents and whether or not the claims are, or could be, in the contemplation of the parties at the time of signing the Agreement including, in particular, the statutory complaints which the Employee raises in the Agreement, however save for the Excluded Claims.

(C) The Company is entering into the Agreement for itself and as agent for all its Group Companies and is duly authorised in that behalf and without any admission of liability.

(D) The parties intend this Agreement and the Reaffirmation Letter to be an effective waiver of any such claims and to satisfy the conditions relating to settlement agreements in the relevant legislation.

IT IS AGREED as follows:

1 Definitions and Interpretation

Definitions

1.1 In this Agreement references to specific clauses are references to clauses in this Agreement unless otherwise stated and:

2022 RSUs and the RSU Payment have the meaning given to those terms in clause 3.

Adviser has the meaning given in clause 13.1(a).

Benefits Payment has the meaning given in clause 4.

Certificate has the meaning given in clause 13.1(a).

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Company's Representative means Manjit Gill.

Confidential Information means information in whatever form (including without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) relating to and including details of suppliers and their terms of business, details of customers, clients and prospective customers and clients and their requirements, the prices charged to and terms of business with customers and clients, business plans, marketing plans and sales forecasts, financial information, results and forecasts (save to the extent that these are included in published audited accounts), any proposals relating to the acquisition or disposal of a company or business or any part thereof or to any proposed expansion or contraction of activities, or any other business strategy or tender, details of employees and officers and of the remuneration and other benefits paid to them, information relating to research activities, inventions, secret processes, designs, software, formulae and product lines, key metric information such as details of website page hits, visitors, visits, sales or orders per day, total sales volumes, average sales size, volumes of goods shipped or held in stock, customer or client acquisition costs, repeat rates and word of mouth rates and any information which the Employee either is aware or reasonably ought to know is confidential and any information which has been given to the Company or any Group Company in confidence by customers, clients, suppliers or other persons.

Data Protection Legislation means the Data Protection Act 2018 and the UK GDPR (which has the meaning given to it in section 3(10) (as supplemented by section 205(4)) of the Data Protection Act 2018 and any legislation having similar effect in any other jurisdiction.

Employment means the Employee's employment with the Company as Executive Vice President - Oilfield Equipment the terms of which are set out in the Employment Contract.

EIPIA means the Employee Innovation and Proprietary Information Agreement.

Employment Contract means the employment contract entered into between the Employee and the Company (previously known as Vetco Gray UK Limited, amongst other things) dated 1 July 2009 and signed by the Employee on 4 September 2009 (as amended, replaced or superseded from time to time).

Excluded Claims means any claims of the Employee relating to:

a) the Employee's enforcement of this Agreement;

b) the Employee's accrued pension entitlements; and/or

c) any personal injury claims of the Employee which have not yet arisen as at the date of this Agreement (save for any personal injury claims of which the Employee could reasonably have been aware as at the date of this Agreement and/or any and all

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personal injury claims under the discrimination legislation, all of which do not constitute Excluded Claims).

Further Severance Payment has the meaning given in clause 4.

Group Company means any holding company or parent undertaking for the time being of the Company or any subsidiary or subsidiary undertaking for the time being of the Company or of any such holding company or parent undertaking (for which purpose the expressions "holding company" and "subsidiary" shall have the meanings ascribed thereto by section 1159 of the Companies Act 2006 and the expressions "parent undertaking" and "subsidiary undertaking" shall have the meanings ascribed thereto by section of the 1162 Companies Act 2006).

LTIP means the Baker Hughes Company 2021 Long-Term Incentive Plan.

Net Further Severance Payment means the total value of the Further Severance Payment, the Benefits Payment and the RSU Payment or the benefits received by the Employee pursuant to clause 3.1(c)(iii), after any deductions required by law are made, except for deductions which are refundable or which otherwise result in payments being made by any tax authority to the Employee.

Outplacement Services has the meaning given to that term in clause 3.

Payments has the meaning given to that term in clause 4.

PILON Payment has the meaning given to that term in clause 4.

Reaffirmation Certificate means the certificate in the form set out in Schedule 5 to this Agreement.

Reaffirmation Letter means the agreement in the form set out in Schedule 4 to this Agreement.

Severance Payment has the meaning given to that term in clause 4.

STIP and the STIP Payment have the meaning given to those terms in clause 3.

Termination Date means 31 January 2023 or such other date agreed between the parties in writing.

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Interpretation

1.2 The headings in this Agreement are inserted for convenience only and shall not affect its construction.

1.3 A reference to a particular law is a reference to it as it is in force for the time being taking account of any amendment, extension, or re-enactment and includes any subordinate legislation for the time being in force made under it.

1.4 A reference to one gender includes a reference to other genders.

1.5 Unless the context otherwise requires, words in the singular include the plural and in the plural include the singular.

1.6 The Schedules to this Agreement form part of (and are incorporated into) this Agreement.

2 Termination

2.1 The Employment will terminate on the Termination Date by reason of redundancy.

2.2 The Employee's contractual notice period shall commence on 1 November 2022. Between the date of this Agreement and the Termination Date the Employee shall continue to be bound by all of the terms of the Employment Contract (save as required to be amended to give effect to the terms of this Agreement) and shall continue to perform their regular duties, or such other duties as are assigned from time to time by the Company (including without limitation in relation to performing an appropriate handover of tasks and responsibilities as directed by the Company). The Company reserves the right to terminate the Employment summarily prior to the Termination Date in the event that the Employee commits an act of gross misconduct or any other act or omission which would entitle the Company to summarily terminate the Employment, and in those circumstances this Agreement will cease to have any effect and no party will have any liability to the other under this Agreement.

2.3 The Employee shall be paid any outstanding salary and contractual benefits which have accrued up to and including the Termination Date, less all deductions the Company is required to make. The Employee will either be paid a sum in lieu of any days' accrued but untaken holiday as at the Termination Date, less all deductions the Company is required to make, or a deduction will be made from sums due to the Employee in respect of holiday taken in excess of their accrued entitlement as at the Termination Date, as appropriate. The Employee agrees and acknowledges that, save as detailed in this Agreement, the Employee has no outstanding entitlement to any benefits (including any bonus or commission) from the Company or any Group Company and that all benefits (contractual and non-contractual) shall cease with effect on and from the Termination Date.

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2.4 The Company will pay the Employee all outstanding expenses properly and legitimately incurred on behalf of the Company in the proper performance of the Employee's duties to the Termination Date on production of appropriate invoices and receipts in accordance with normal Company policy or, if there is no such policy, subject to management approval, provided that such claims are submitted prior to the Termination Date.

2.5 To the extent that the Employee owes any sums to the Company and/or any Group Companies, the Company reserves the right to make an appropriate deduction from any sums payable to the Employee by the Company or any Group Company (including without limitation the Payments).

3 Share entitlements and Bonus

3.1 Without any admission of liability whatsoever and subject to, and conditional always on, in the Company's opinion, the following conditions being satisfied in full:

(a) the execution of this Agreement by the Employee and the Certificate signed by the Adviser, all returned to the Company's Representative;

(b) the execution of the Reaffirmation Letter by the Employee and the Reaffirmation Certificate by the Adviser, all returned to the Company's Representative; and

(c) compliance by the Employee in full with the terms, warranties, conditions and obligations of this Agreement and the Reaffirmation Letter (and the warranties given by the Employee pursuant to this Agreement and the Reaffirmation Letter being true and accurate),

the Company agrees that:

(i) it will exercise its discretion under the Baker Hughes Company Short Term Incentive Compensation Plan ("Fullstream") (the STIP) such that, subject to the terms of the STIP the Employee may be paid an award under the STIP for the 2022 performance year, (the STIP Payment). The STIP Payment (if any) shall be determined by the Company (acting reasonably) subject to and in accordance with the rules of the STIP and based upon the 2022 performance results. The Employee will not be eligible for any further payments under the STIP; and

(ii) the Employee's entitlement in respect of restricted stock unit award(s) that were granted to the Employee prior to 2022 under the LTIP shall be determined subject to and in accordance with the rules of the LTIP. The release of any prorated long-term incentive awards shall occur on a date that is six months following the Termination Date; and

(iii) it will accelerate the vesting of the Employee's restricted stock unit award(s) granted in January 2022 (for the avoidance of doubt, not performance share unit award(s))

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under the LTIP (the 2022 RSUs) such that they vest subject to and in accordance with the rules of the LTIP (both related to vesting and more generally) (rather than lapse on the Termination Date); and

(iv) by way of further compensation for loss of employment, the Company will pay for enhanced ICEO Signature Unlimited level of outplacement services specified by the Company for the Employee with LHH, provided that the Employee commences such services no later than 30 days following the Termination Date (the Outplacement Services).

3.2 Further details provided in the letter and appendix from Manjit Gill of the Company to the Employee dated 20 October 2022.

3.3 Payment of the STIP Payment (if any) and the RSU Payment (if any) shall be governed by the terms of clause 4.4.

4 Payments

4.1 Without any admission of liability whatsoever and subject to, and conditional always on, in the Company's opinion, the following conditions being satisfied in full:

(a) the execution of this Agreement by the Employee and the Certificate signed by the Adviser, all returned to the Company's Representative;

(b) the execution of the Reaffirmation Letter by the Employee and the Reaffirmation Certificate by the Adviser, all returned to the Company's Representative; and

(c) compliance by the Employee in full with the terms, warranties, conditions and obligations of this Agreement and the Reaffirmation Letter (and the warranties given by the Employee pursuant to this Agreement and the Reaffirmation Letter being true and accurate),

the Company shall pay to the Employee (without admission of liability) the following amounts:

(i) a sum as payment in lieu of the Employee's basic salary for the portion of the Employee's three months' contractual notice period which is unexpired as at the Termination Date (the PILON Payment); and

(ii) the sum of £407,000 as compensation for loss of employment (the Severance Payment). The Severance Payment is inclusive of a statutory redundancy payment of £14,846 (calculated as set out in Schedule 3); and

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(iii) the GBP equivalent to $15,000 on the Termination Date, as compensation for loss of benefits (the Benefits Payment),

and together the PILON Payment, the Severance Payment, the Benefits Payment, the STIP Payment (if any) and the RSU Payment (if any) are referred to as the Payments.

4.2 The Payments will be subject to any deductions the Company and/or any Group Company is required to make by applicable law and/or is permitted to make pursuant to the Employment Contract or this Agreement. The parties believe, although the Company gives no warranty as to the tax or National Insurance treatment of the Payments, that: (i) the first £30,000 of the Severance Payment can be paid without any deductions; and (ii) the balance of the Severance Payment in excess of £30,000, the PILON Payment, the Benefits Payment, the STIP Payment (if any) and the RSU Payment (if any) will be paid subject to deductions for income tax in accordance with PAYE Regulations and employee National Insurance contributions at the rates applicable when the relevant payments are made.

4.3 Any further liability to income tax or to employees' National Insurance contributions on the Payments and on any other payments and benefits provided to the Employee pursuant to this Agreement (including without limitation the Outplacement Services) shall be the Employee's alone and the Employee shall indemnify the Company in respect of such liability in accordance with clause 4.4(b).

4.4 Subject to the terms of this Agreement and the Reaffirmation Letter, and conditional on the Employee complying with the terms and obligations under this Agreement and the Reaffirmation Letter (and the warranties given by the Employee pursuant to this Agreement and the Reaffirmation Letter being true and accurate) and without any admission of liability whatsoever:

(a) the PILON Payments, the Severance Payment and the Benefits Payment will be paid to the Employee in the next available payroll six months following the Termination Date.

(b) the STIP Payment (if any) will be paid to the Employee at the same time as other participants are paid under the STIP.

4.5 The Company makes no warranty as to the taxable status of the Payments and other payments and benefits provided pursuant to this Agreement (including without limitation the Outplacement Services) and accordingly the Employee undertakes that if the Company or any of its Group Companies is called upon to account to HM Revenue & Customs (HMRC) or similar authority in any other jurisdiction for any income tax, employees' National Insurance contributions, social security or similar liabilities, interest and/or penalties thereon arising in respect of the payments made and benefits provided under this Agreement, other than the income tax and National Insurance contributions deducted under clauses 3 and 4 (such income tax, National Insurance contributions, interest and/or penalties referred to in this Agreement as the "excess tax"), and if

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the Company or any other company pays the excess tax to the HM Revenue & Customs or similar authority in any jurisdiction, the Employee will, at the written request of such company immediately pay to such company an amount equal to the excess tax (on an after-tax basis). The parties agree that for the purposes of this clause 4.5, "excess tax" shall exclude income tax and employees' National Insurance contributions deducted by the Company or any Group Company at source and any interest and/or penalties which arise as a result of any unreasonable delay of the Company (provided the Employee has not contributed to, or caused, the default in any way) but shall include any interest and/or penalties arising from treatment of the Payments by the Company that is consistent with the parties' belief of the correct tax treatment of the Payments set out in clauses 3 and 4.

4.6 Before the Company pays any such excess tax it will first provide the Employee with a copy of any notification that such liabilities may accrue or have arisen that it has received from the HMRC or other relevant tax authority and any other information that the Employee may reasonably require so that the Employee has an opportunity, at the Employee's own expense, to challenge the assessment, provided always that: (i) the Employee does so within the relevant statutory time limit; and (ii) nothing in this clause shall prevent the Company from complying with its legal obligations with regard to HMRC or other relevant tax authority.

4.7 In the event of the Employee failing to satisfy the indemnity given in this clause within thirty days of a written demand by the Company, without prejudice to any other rights and remedies of the Company, interest shall be payable on the total amount of tax, contributions, interest or penalties at a rate 2% per centum per annum above the base rate charged from time to time by The Royal Bank of Scotland plc from the date of the payment by the Company to HMRC or other relevant tax authority until repayment in full by the Employee.

5 Resignation of offices

5.1 The Employee will resign with effect on and from the Termination Date from all directorships and offices (if any) to which the Employee was appointed in connection with or by reason of the Employment or any other appointments with the Company or any of its Group Companies including (but without prejudice to the generality of the above) company secretarial appointments, committee appointments and trusteeships, and that they will do all such acts and things as the Company may reasonably require to effect such resignations. The Employee agrees that, if they fail to comply with this requirement, the Company is authorised at any time following the Termination Date to send a copy of this Agreement to the board of directors of any Group Company in which the Employee holds directorships, offices and other appointments on the Employee's behalf as an act of resignation.

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6 Secrecy

6.1 The Employee undertakes that they will not, whether directly or indirectly, make, publish or otherwise communicate any disparaging or derogatory statements, whether in writing or otherwise, concerning the Company or any of its Group Companies or any of its or their officers, trustees, directors, shareholders, employees or agents.

6.2 Both the Employee and the Company agree to keep the terms of this Agreement and the terms on which the Employment is terminated and the amount of any settlement and all discussions and other correspondence on this subject strictly confidential and agree not to disclose, communicate or otherwise make public the same to anyone save:

(a) as permitted pursuant to clause 5.1 above and clauses 6.5 and 6.7 below; and

(b) that the parties agree that an internal announcement by the Company to staff confirming that the Employee is leaving or has left the Company, thanking the Employee for their contribution to the Company and wishing them the best for the future, and any external statements confirming that the Employee is leaving or has left the Company, shall not put the Company in breach of this clause.

6.3 The Employee agrees not to make or cause to be made (directly or indirectly) any statement to the media concerning the Employment, or any directorship and offices, or its or their termination without the prior written consent of the Company (or as may be required by law). The Employee also agrees to update promptly any entry on any social networking site to reflect the fact that the Employment (and any directorships and offices) have terminated with effect from the Termination Date.

6.4 The Employee agrees not to: (i) conduct themselves following the Termination Date in any way which is inconsistent with having surrendered their authority, whether in matters of the internal administration of the Company or any other Group Company or externally; and (ii) represent themselves as being employed by, or connected in any way with, the Company or any other Group Company following the Termination Date.

6.5 Without prejudice to the generality of clauses 6.1 to 6.4, the Employee warrants that they have not prior to the date of this Agreement disclosed, and shall not thereafter (whether before, on or after the Termination Date) disclose, to anyone any details of the transformation/ restructuring plans of the Company and any Group Company, or the fact that the Employment is terminating in connection therewith, except to the extent the Group Companies were required to do so by applicable securities law or regulation, including, without limitation, as may be required by the Securities and Exchange Commission.

6.6 Nothing in this Agreement shall prevent the Employee from:

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(a) making a protected disclosure under section 43A of the Employment Rights Act 1996;

(b) making a disclosure to a regulator regarding any misconduct, wrongdoing or serious breach of regulatory requirements, or reporting a criminal offence to any law enforcement agency; or

(c) co-operating with any law enforcement agency regarding a criminal investigation or prosecution; or

(d) co-operating with any legal or regulatory process to which they are obliged to provide information or assistance; or

(e) disclosing information to HMRC for the purposes of establishing and paying (or recouping) tax and national insurance liabilities arising from the Employment or its termination; or

(f) making any other disclosure as required by law.

6.7 The Parties are permitted to make a disclosure or comment that would otherwise be prohibited by clause 6 if, where necessary and appropriate:

(a) in the case of the Employee it is made to:

(i) any person who owes a duty of confidentiality to the Employee (which the Employee agrees not to waive) in respect of information which the Employee discloses to them including professional advisers, (legal or tax advisers), or persons providing the Employee with medical, therapeutic, counselling or support services; or

(ii) spouse, civil partner or partner or immediate family, provided that they agree to keep the information confidential; or

(iii) relevant tax authorities, and otherwise as may be required to be disclosed by law or regulatory authorities or as ordered by a court of competent jurisdiction;

(b) in the case of the Company it is made to:

(i) the Company's officers, employees or workers provided that they agree to keep the information confidential;

(ii) any person who owes a duty of confidentiality to the Company (which the Company agrees not to waive) in respect of information which the Company discloses to them, including legal, tax, compliance or other professional advisers, or

(iii) any Group Company is required to disclose this Agreement, or the terms and conditions of this Agreement, pursuant to applicable securities laws or regulations,

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including, without limitation, as may be required by the Securities and Exchange Commission;

and, except with respect to clause 6.7(b)(iii) they require that anyone to whom such disclosure is made keeps the matter confidential.

7 Confidential Information, intellectual property and covenants

Confidential Information

7.1 In consideration for a payment of £100, and without prejudice to their common law duties and those set out in the Employment Contract and in the EIPIA, the Employee undertakes not at any time after the Termination Date:

(a) to divulge any trade secrets or Confidential Information to any person;

(b) to commercially make use of, for their own benefit or purposes or for the benefit or purpose of any other person, firm, corporation, company, association or business entity, any trade secrets or Confidential Information; and

(c) to make or use any copies of any trade secrets or Confidential Information.

7.2 The restrictions in clause 7.1 are subject to clause 6.6 and do not apply to any Confidential Information which is in or comes into the public domain other than through the Employee's unauthorised disclosure.

7.3 The Employee acknowledges that the EIPIA shall remain in full force and effect notwithstanding the termination of the Employment.

Intellectual property

7.4 In consideration for a payment of £100, the Employee agrees to hold all intellectual property which the Employee has made, discovered or participated in the making or discovery of during the Employment on trust for the Company and will do everything necessary or desirable at the Company's expense to vest such intellectual property fully in the Company or relevant Group Company and / or to secure patent or their appropriate forms of protection for the intellectual property. The Employee hereby irrevocably waives all moral rights under the Copyright, Designs and Patents Act 1988 (and all similar rights in other jurisdictions) which the Employee has in any intellectual property which the Employee has made, discovered or participated in the making or discovery of during the Employment. For the purposes of this clause, intellectual property shall include all intellectual property or industrial rights of any description anywhere in the world including, without limitation to the foregoing generality, any patents, letters patent, trade marks, domain names, registered or unregistered designs, utility models, copyrights (including, without

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limitation to the foregoing generality, design copyrights and rights in computer software, object and source code), rights in the nature of copyright, data base rights, semi-conductor topography rights, rights in and to goodwill, business names, brand names, produce names or logos, moral rights, discoveries, creations, inventions or improvements upon or additions to an invention, confidential information (including without limitation materials, generic materials, animations, business opportunities, forecasts, proposals, documentation, work-plans, specifications, studies, reports, formulae, processes, designs, photographs, drawings, specifications and samples), know-how and any research effort relating to any of the above mentioned and any analogous or similar rights in any jurisdiction (whether any such rights referred to in this clause are registered, unregistered, registerable or not and any applications or rights to apply for registration of any of them, together with any registered rights resulting from such applications or rights to apply for registration).

Post-termination of employment restrictive covenants

7.5 The Employee acknowledges that any post-termination of employment restrictive covenants and other continuing obligations in the Employment Contract or any other agreement executed by Employee during his employment tenure shall remain in full force and effect notwithstanding the termination of the Employment.

8 Company property

8.1 The Employee represents and confirms that they will, at any time on demand, and have in any event prior to the Termination Date, return or returned to the Company without modification all property belonging to the Company or any Group Company in satisfactory condition which is in their possession, custody or under their control, including but not limited to keys, security pass, credit or charge cards, equipment, blackberry or other device, laptop and printer, records, correspondence, documents, files and other information of any description (whether originals, copies or extracts) belonging or licensed to the Company or any of its Group Companies

8.2 Notwithstanding the foregoing, the Employee warrants that they shall not following the Termination Date (or such earlier date on which the Company required the Employee to return property pursuant to clause 8.1) retain any copies and that by and from (as applicable) such date they will have deleted irretrievably from any non-Company devices and shall not retain, shall have no access to and shall not hold any documents, software, disks including all back up disks, and copies thereof or other media (including such systems (including “cloud” storage systems) and data storage services provided by third parties) which contain confidential and/or proprietary information in relation to the business of the Company and/or any Group Company and/or any of their customers, suppliers or other business/trading partners and which belong to the Company and/or any Group Company including, but not limited to, all product information, technical information, legal information, financial information, customer and supplier data base information,

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company marketing, promotional and sales lead information and information containing details of relating to the requirements of customers, suppliers and/or business/trading partners.

8.3 If, after the Termination Date (or such earlier date on which the Company required the Employee to return property pursuant to clause 8.1), the Employee discovers that, notwithstanding the terms of this clause 8, they do retain any property, they will return it forthwith.

8.4 In addition the Employee will provide the Company with all necessary information and access as will allow such person as the Company may determine to access any computer equipment owned by the Employee, Company or any Group Company and used by the Employee to enable any Group Company to verify, and if necessary take steps to ensure compliance with this clause 8.

9 Reference

Provided nothing comes to light after that date of this Agreement which would reasonably alter the Company's opinion of the Employee, upon receipt of a written request, it is Company practice to give factual information only, including dates of employment and position held. Reference requests should be directed to People Operations via: MyHR@bakerhughes.com. No other employees should be approached to provide a reference on behalf of the Company.

10 Breach of Agreement and compensation payable to the Employee

10.1 The Employee acknowledges that the Company has agreed the terms of this Agreement in reliance on the representations and warranties in this Agreement (including without limitation those set out in clauses 6 and 13) and agrees that if, having entered into this Agreement, the Employee:

(a) breaches any of the representations or warranties; and/or

(b) brings any proceedings (including making complaints to professional or trade or regulatory bodies but excluding any such claim falling within the definition of a "qualifying disclosure" within section 43B of the Employment Rights Act 1996) relating to the Employment, the Employment Contract, or their termination against the Company, any Group Company or its or their officers, trustees, directors, shareholders, employees or agents; and/or

(c) is awarded any compensation or damages by an employment tribunal or civil court,

then, without prejudice to any other remedies that the Company or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents may have, the Employee hereby undertakes to indemnify and hold harmless the Company and each Group Company and its or their officers, trustees, directors, shareholders, employees or agents and to keep it and them indemnified fully at all times against all claims, demands, actions, proceedings, damages, losses, costs (including without limitation legal costs) and/or liabilities which are made or brought

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against or incurred or suffered by the Company or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents in consequence of, or which are attributable to, a default by the Employee as set out in this clause 10.1, together with all costs (legal or otherwise) and expenses incurred by the Company or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents in seeking to enforce the provisions of this indemnity against the Employee.

10.2 The Employee further agrees, and without prejudice to any other rights or remedies of the Company or any Group Company arising from such action, that if in breach of this Agreement, that if the Employee institutes or continues any proceedings against the Company or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents relating to the Employment, the Employment Contract or its or their termination or their directorships or their termination against the Company, any Group Company or its or their officers, trustees, directors, shareholders, employees or agents (including making complaints to professional or trade or regulatory bodies but excluding any such claim falling with the definition of a "qualifying disclosure" within section 43B Employment Rights Act 1996) and if any award is made to the Employee in respect of such proceedings (the Award) that:

(a) If the net value of the Award (after any deductions required by law are made, except for deductions which are refundable or otherwise result in payments being made by any tax authority to the Employee) (Net Award) is less than the total value of the Payments and benefits set out in clauses 3 and 4 (after any deductions required by law are made, except for deductions which are refundable or otherwise result in payments being made by any tax authority to the Employee) (Net Severance Payment), then at the Company's sole election the Employee shall repay to the Company a sum equal to the Net Award and such sum shall be recoverable as a debt or the amount will be set off against and reduce the Net Award to zero; and

(b) If the Net Award is more than the Net Severance Payment then, at the Company's sole election, the entire Net Severance payment shall be immediately repayable by the Employee to the Company and shall be recoverable as a debt.

10.3 Without prejudice to the generality of clauses 10.1 and 10.2:

(a) the Employee further acknowledges that the Company is entering into the obligations at clauses 3.1(c)(iii), Error! Reference source not found. and 4.1(c)(iii) (regarding the 2022 RSUs and/or RSU Payment, the Further Severance Payment and the Benefits Payment) in reliance on the Employee's strict adherence to the confidentiality obligations which they accept by entering into this Agreement (in particular those set out in clause 6), which the Company considers to be key and material obligations; and

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(b) the Employee therefore agrees that if the Employee breaches any such obligations, then, without prejudice to any other remedies that the Company or any Group Company may have:

(i) the Company shall be under no obligation to provide or make the relevant benefits and payments; and

(ii) if the relevant benefits or payments have provided or made, at the Company's sole election, the Employee shall be required to repay to the Company immediately on demand a sum equal to the Net Further Severance Payment and such sum shall be recoverable as a debt.

10.4 In addition, the Employee recognises that in the circumstances described in clause 10.1 and 10.3 the Company will no longer be bound by its obligations under clauses 3 (Share entitlements and Bonus), 4 (Payments), 6 (Secrecy), 9 (Reference) and 11 (Legal expenses).

11 Legal expenses

11.1 The Company shall on the production of a valid VAT invoice addressed to the Employee but marked payable by the Company pay to the Employee's solicitors, up to a maximum sum of £500 plus VAT in respect of the Employee's legal expenses to the extent these are incurred in connection with the termination of the Employment and/or relate exclusively to the negotiation and preparation of this Agreement and the Reaffirmation Letter. These costs will be paid by the Company following receipt of a properly addressed invoice. The Employee warrants that such legal costs were incurred solely in relation to the termination of the Employment and the preparation of the Agreement and the Reaffirmation Letter.

12 Settlement of claims

12.1 The Employee acknowledges that they have carefully considered the facts and circumstances relating to the Employment, the Employment Contract, any directorships and offices, and its and their termination, and agrees that they will not institute any proceedings or complaints before an employment tribunal or court arising out of or in connection with the Employment or the Employment Contract or their termination in respect of any of the claims set out in Schedule 1 to this Agreement and will not assist or encourage any third party to bring any similar claims or proceedings.

12.2 The Employee confirms that they are not aware of having any claim for personal injury against the Company or any Group Company at the date of this Agreement.

12.3 Without prejudice to the Employee's rights to bring any claims in respect of the Excluded Claims, the Employee agrees that in consideration of the Payments and other payments and benefits provided to the Employee pursuant to the terms of this Agreement, the terms of this Agreement

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are in full and final settlement of all claims, costs, expenses and causes of action of any kind and which are hereby waived, including but not limited to:

(a) the claims set out in Schedule 1; and

(b) any other claims whether at common law, under statute, equity under contract or otherwise and in any jurisdiction in the world,

which they may have against the Company or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents arising out of or connected with the Employment, the Employment Contract, any directorships and offices, and its and their termination (excepting the Excluded Claims), whether such claims are or could be known to the parties and whether or not they are or could be in contemplation of the parties at the date of this Agreement in any jurisdiction.

12.4 The Employee agrees not to make any subject access request pursuant to the Data Protection Legislation and/or submit any grievances in relation to the Employment, the Employment Contract or their termination and not to submit an appeal with regard to the termination of the Employment. The Employee agrees that any data subject access request, grievances or appeals the Employee may have in relation to the Employment, the Employment Contract or their termination and all claims that may arise from or in relation to such grievances and/or appeals shall be settled conclusively by the terms of this Agreement.

13 Warranty

13.1 The Employee represents, warrants and undertakes that:

(a) before entering into this Agreement they have received advice from a "relevant independent adviser" (the Adviser) (for the purposes of the legislation specified in clause 14) as to the terms and effect of this Agreement (and in particular its effect on the Employee's ability to pursue their rights before an employment tribunal, including the claims specified in Schedule 1) and that they will procure that the Adviser forthwith provides a certificate in the form of Schedule 2 (the Certificate) and that in such Schedule the name and other relevant details of the Adviser are correctly set out;

(b) the Adviser has confirmed to the Employee that they are a solicitor holding a current practising certificate and that there is in place a policy of insurance or indemnity provided for members of a profession or professional body covering the risk of a claim by the Employee in respect of any loss arising in consequence of their advice;

(c) before receiving the advice that they have disclosed to the Adviser all facts and issues which may give rise to a claim against the Company, or any Group Company or its or their officers, trustees, directors, shareholders, employees or agents (whether past or present);

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(d) the claims and prospective proceedings listed at clause 12.3 and Schedule 1 are all of the claims and prospective proceedings that the Employee has against the Company, any Group Company or their, officers, trustees, directors, shareholders, employees or agents arising out of or in connection with the Employment, the Employment Contract, any directorships and offices, or its or their termination, and that the Employee is not aware of any other claim, whether statutory or not, that they may have against the Company or any Group Company or any of its or their officers, trustees, directors, shareholders, employees or agents and is not aware of any facts or circumstances which may give rise to any such claim;

(e) as of the date of this Agreement the Employee has not commenced employment and has not received either orally or in writing or accepted or agreed to accept any offer of employment from a third party and does not have an immediate expectation of receiving such an offer. The expression "employment" for the purpose of this clause includes a contract of service, a contract for services or a partnership. In the event that the Employee is offered employment, consultancy or other business activities the Employee will show such person making the offer a copy of the restrictions in the Employment Contract;

(f) as at the date of this Agreement, there are no circumstances of which the Employee is aware or of which the Employee ought reasonably to be aware which would amount to a repudiatory breach by the Employee of any express or implied term of the Employment which would entitle (or would have entitled) the Company to terminate the Employment without notice or payment in lieu of notice and any payment to the Employee pursuant to this Agreement is conditional upon this being so. Furthermore, in the event that the Company after the date of this Agreement becomes aware that the Company has or had grounds to terminate the Employment without notice in accordance with the Employment Contract or summarily in response to a breach of contract by the Employee, then in addition to any other remedies which the Company may have, the Net Severance Payment will immediately become repayable by the Employee as a debt to the Company. To the extent that at any time after the Employee has made a repayment in accordance with this clause they receive a refund for any tax and/or social security contributions paid in respect of the in respect of the Payments or any other payment or benefit provided to the Employee pursuant to the terms of this Agreement the Employee agrees to immediately pay an amount equal to such refunded tax and/or social security contributions to the Company;

(g) as at the date of this Agreement, the Employee is not aware of any matters relating to the Employment which, if disclosed to the Company, might impact the Company's decision to enter into this Agreement;

(h) save in respect of the payments and benefits payable under this Agreement, the Employee is not owed any sum by the Company or any Group Company (including without limitation

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in respect of bonus, commission, profit-sharing or other incentive payment) and they have no claim for or entitlement to any allocation of shares, options, or any similar entitlements (including without limitation under the LTIP and/or in relation to performance stock unit award(s));

(i) the Employee will provide such assistance as shall be required by the Company and any Group Company in the performance of such tasks necessary to ensure an orderly handover of duties to such person or persons as the Company may nominate;

(j) the Employee will on the request of the Company or any Group Company, fully cooperate with, and assist, it or them in any existing or future threatened or actual litigation of any nature whatsoever concerning the Company or any Group Company where they have in their possession or knowledge any facts or other matters which the Company or any Group Company reasonably considers is relevant to such legal proceedings (including but not limited to giving statements/affidavits, providing documents, meeting with the legal and other professional advisers and attending any legal hearing, giving evidence in person on behalf of the Company or any Group Company and responding to subpoenas and witness summons). Such cooperation and assistance will also be given in any existing or future internal investigation or any regulatory investigation, action or proceedings, and otherwise in response to requests for information related to the Employment. The Company or the relevant Group Company shall reimburse the Employee for reasonable out of pocket expenses and any reasonable loss of earnings properly incurred by them in giving such assistance provided that all such sums are approved in advance by the Company in writing and subject to the Employee providing such receipts or other evidence as the Company may require in respect of those sums and taking such steps as are reasonable to mitigate their loss of earnings;

(k) the Employee will not provide any current or former employee, worker or contractor of the Company or any Group Company with any assistance in any current or future legal proceedings brought against the Company or any Group Company unless such assistance is for the purposes set out in clause 6.6 or required by law or otherwise ordered by a court or tribunal;

(l) the Employee has not issued proceedings before the employment tribunals, High Court or County Court in respect of any claim in connection with the Employment, the Employment Contract, any directorships and offices, or its or their termination, and the Employee undertakes that neither they nor anyone acting on their behalf will present such an application or claim;

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(m) the Employee has not notified a claim to ACAS for early conciliation and will not act on the basis of any early conciliation certificate already issued by ACAS, and neither the Employee nor anyone acting on their behalf will notify such a claim to ACAS;

(n) they are not aware of any matter which would fall within the definition of a "qualifying disclosure" within S43B of the Employment Rights Act 1996" or, if not falling within the definition of a "qualifying disclosure" would result in a complaint by the Employee to any regulatory body; and

(o) in the event that this Agreement for any reason is not effective in any other jurisdiction in compromising or settling any claim which the Employee may have in such other jurisdiction(s) arising from the Employment or its termination, the Employee will take such steps and execute such documents as the Company requests to effect a binding settlement and compromise of all such claims.

13.2 The waiver in clause 12.3 shall have effect irrespective of whether or not, at the date of this Agreement, the Employee is or could be aware of such claims or have claims in their express contemplation (including such claims of which the Employee becomes aware after the date of this Agreement in whole or in part as a result of new legislation or the development of common law or equity).

13.3 The Employee acknowledges that the Company acted in reliance on these warranties in this Agreement (including without limitation those set out in clauses 6 and 13) when entering into this Agreement and payment of the Payments and the provisions of any other sums or benefits pursuant to this Agreement is subject to and conditional upon such warranties being true and accurate.

14 Compliance with Legislation

14.1 The conditions regulating settlement agreements contained in:

(a) section 203(3) Employment Rights Act 1996;

(b) section 147(3) Equality Act 2010;

(c) section 77(4A) Sex Discrimination Act 1975 (in relation to claims under that Act and the Equal Pay Act 1970);

(d) section 72(4A) Race Relations Act 1976;

(e) section 288(2B) Trade Union and Labour Relations (Consolidation) Act 1992;

(f) schedule 3A Part 1 paragraph 2 Disability Discrimination Act 1995;

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(g) regulation 35(3) of the Working Time Regulations 1998;

(h) section 49(4) of the National Minimum Wage Act 1998;

(i) regulation 41(4) Transnational Information and Consultation of Employee Regulations 1999;

(j) regulation 9 of the Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000;

(k) regulation 10 of the Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002;

(l) schedule 4, Paragraph 2(2) Employment Equality (Sexual Orientation) Regulations 2003;

(m) schedule 4, Paragraph 2(2) Employment Equality (Religion or Belief) Regulations 2003;

(n) regulation 40(4) Information and Consultation of Employees Regulations 2004;

(o) paragraph 12 of the schedule to the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006;

(p) schedule 5 paragraph 2(2) of the Employment Equality (Age) Regulations 2006;

(q) Regulation 62 the Companies (Cross-Border Mergers) Regulations 2007; and

(r) section 58 Pensions Act 2008

are intended to be and have been satisfied.

15 Reaffirmation

15.1 The Employee shall:

(a) on or shortly after the Termination Date, sign and date the Reaffirmation Letter; and

(b) on or shortly after the Termination Date, ensure that the Adviser (or another relevant independent adviser for the purposes of the legislation specified in clause 14) signs and dates the Reaffirmation Certificate; and

(c) ensure that both the signed and dated Reaffirmation Letter and Reaffirmation Certificate referred to above are returned to the Company's Representative within 5 days of the Termination Date.

15.2 The Company's obligations under this Agreement are conditional on the Employee's compliance in full with the obligations set out in clause 15.1.

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16 Miscellaneous

16.1 This Agreement may be executed in any number of counterparts, each of which when executed, shall be an original, and all counterparts together shall constitute one and the same instrument. Delivery of an executed signature page of a counterpart by facsimile transmission or by electronic mail on Adobe TM Portable Document Format (PDF) or by electronic signature using an e signing platform shall take effect as delivery of an executed counterpart of the Agreement.

16.2 The parties confirm that they consider the provisions of this Agreement to be valid, reasonable and enforceable. However, without prejudice to the above, the parties acknowledge and agree that various provisions and sub-provisions in this Agreement are severable and that if any provision or sub-provision or identifiable part thereof is held to be invalid or unenforceable by any court or tribunal of competent jurisdiction, then such invalidity or unenforceability shall not affect the validity or enforceability of the remaining provisions or sub provisions of this Agreement or parts thereof.

16.3 The failure to exercise or delay in exercising a right or remedy provided by the Agreement or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies.

16.4 A waiver of a breach of any of the terms of this Agreement or of a default under this Agreement does not constitute a waiver of any other breach or default and shall not affect the other terms of this Agreement.

16.5 A waiver of a breach of any of the terms of this Agreement or of a default under this agreement will not prevent a party from subsequently requiring compliance with the waived obligation.

16.6 The rights and remedies provided by this Agreement are cumulative and (subject to as otherwise provided in this Agreement) are not exclusive of any rights or remedies provided by law.

16.7 This Agreement and any non-contractual obligations connected with it shall be governed by and interpreted in accordance with English Law. The parties hereby submit to the jurisdiction of the English courts.

16.8 Subject to any provision which specifically refers to a Group Company or any officer, trustee, director, shareholder, employee or agent of the Company or any Group Company and which is intended to confer benefits on any such Group Company, officer, trustee, director, shareholder, employee or agent no term of this Agreement is enforceable by a person who is not party to it. The terms of this Agreement may be varied, amended or modified or this Agreement may be suspended, cancelled or terminated by agreement in writing by the parties or this Agreement may be rescinded (in each case) without the consent of any third party.

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17 Whole agreement

17.1 This Agreement and the Reaffirmation Letter (together with the relevant provisions of any document referred to in this Agreement or the Reaffirmation Letter) set out the entire agreement between the parties and supersede all prior discussions between them or their advisers and all statements, representations, terms and conditions, warranties, guarantees, proposals, communications and understandings whenever given and whether orally or in writing. *As set out in the letter and appendix from NAME of the Company to the Employee of DATE …"*

17.2 If signed by all parties to the Agreement it shall then, notwithstanding being marked "without prejudice" or "without prejudice subject to contract" and subject to any written statement to the contrary, be treated as an open and binding agreement.

WITHOUT PREJUDICE SUBJECT TO CONTRACT

IN WITNESS whereof this Agreement has been executed the day and year first above written

SIGNED for and on behalf of BAKER HUGHES ENERGY TECHNOLOGY UK LTD by Shane O'neill, an authorised representative

/s/ Shane O'Neill 12/21/2022

Signature of authorised representative

dated 12/21/2022

Witnessed by /s/ Julie Thom ..... (name)

Baker Hughes Ltd
..... (signature)

Portlethen
..... (address)

.....

/s/ Neil Saunders

SIGNED by NEIL SAUNDERS

dated 21-12-2022

Witnessed by /s/ Frank O'Reilly ..... (name)

Frank O'Reilly
..... (signature)

..... (address)

.....

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Notice to Employee: This is a legal document. Employee is advised to consult with an attorney prior to signing this Agreement.

SEPARATION AND TRANSITION AND & RELEASE

This is an Agreement between Baker Hughes Company (the "Company") and Brian Worrell, Workday 245196 ("Employee").

The Company and Employee intend the terms and conditions of this Agreement to govern all issues related to Employee's employment, transition and separation from the Company and its affiliates.

1. Separation Date and Consideration/Other Payments.

a. Transition and Separation Date. Employee ceased to serve as the Chief Financial Officer of the Company on November 1, 2022 (the "Transition Date") and Employee shall be treated as having resigned from all other positions with the Company and its affiliates (other than the Company's foundation and as an employee of the Company) and will have no executive or officer roles with the Company following the Transition Date and shall instead serve as employee advisor to the Company's Chairman and Chief Executive Officer until his employment with the Company terminates on May 1, 2023 (the "Anticipated Separation Date"). Unless Employee's employment terminates earlier than the Anticipated Separation Date upon request by or with the agreement of the Company or upon Employee's voluntary termination, Employee's employment will terminate on the Anticipated Separation Date. In the event that Employee's employment is terminated prior to the Anticipated Separation Date, Employee will immediately cease being entitled to any ongoing payments or benefits as an active employee (except as otherwise provided herein) and the actual date of the termination of Employee's employment is referred to in this Agreement as the "Actual Separation Date." Upon the Actual Separation Date, Employee's employment will terminate and be considered a "separation from service" (as defined in Section 409A (as defined below)), and, unless Employee's employment terminated prior to the Anticipated Separation Date, Employee will begin to provide consulting services to the Company as an independent contractor as of the Actual Separation Date as contemplated by the Consulting Agreement entered into concurrently with this Agreement (the "Consulting Agreement"); provided, however, that if Employee's employment is terminated by the Company other than for Cause (as defined in the Baker Hughes Company Executive Severance Program) or by Employee following a material breach of a material term of this Agreement by the Company (after Employee having provided notice of such breach and the Company having thirty (30) days to cure such material breach prior to the effectiveness of such resignation) or upon Employee's death

or Disability (as defined below) (each a "Good Leaver Termination") prior to the Anticipated Separation Date and the Consulting Agreement never becomes effective, Employee shall receive a lump sum payment equal to the Accelerated Consulting Payment set forth in Section 1(e) below. In addition, in the event of a Good Leaver Termination, the Company shall provide Employee with all payments and benefits as if Employee had continued employment through the Anticipated Separation Date. For the purposes of this Agreement, "Disability" means the inability of Employee to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

b. Covenants Pending the Actual Separation Date. Following the Transition Date and until the Anticipated Separation Date or, if earlier, the Actual Separation Date, Employee will perform his duties as an advisor to the Company's Chairman and Chief Executive Officer, or such other duties as may be assigned by the Company's Chairman and Chief Executive Officer. Employee shall be permitted to perform such services from a location of Employee's choosing, provided, that (i) the Company shall provide Employee with an office and reasonable administrative support, (ii) Employee shall be available at specified locations at the reasonable request of the Company's Chairman and Chief Executive Officer (with travel reimbursement to the same extent as provided through the Transition Date) and (iii) Employee shall not perform such services in a jurisdiction that will result in potential additional taxes for the Company. In anticipation of Employee's termination of employment, Employee also will endeavor to assist in the seamless transition of Employee's authorities, duties, and responsibilities to Employee's successor. Until the Actual Separation Date, the Company will pay Employee his regular annual base salary in accordance with the Company's payroll practices and Employee will continue to be eligible to participate in the Company's benefit plans, programs and policies in accordance with their provisions (including travel reimbursement and indemnification to the same extent as provided through the Transition Date), as the same may be in effect from time to time, except as otherwise specifically provided in this Agreement, including, without limitation, Employee will not be eligible to receive any long-term incentive awards. The Company shall pay Employee an annual bonus for 2022 at a percentage of Employee's annual base salary not less favorable than the percentages of target paid to members of the executive leadership team of the Company for 2022 annual bonuses generally (and, for the avoidance of doubt, not based on any single member of the executive leadership team). Such 2022 annual bonus shall be paid to Employee in the event of any Good Leaver Termination prior to the payment date of such 2022 annual bonus.

c. Regular Separation Benefits. In consideration for Employee signing and delivering this Agreement, and subject to Section 13 herein, the Company agrees to pay to Employee the following regular separation benefits described in this Section 1(c).

So long as Employee signs and does not revoke this Agreement during the revocation period described in 3(c) herein and subject to Section 13 herein, the Company will pay Employee (or Employee's estate in the event of his death) cash severance benefits and

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provide the outplacement services described below. The cash severance benefit is calculated as 18-months base salary plus 1.5 times the greater of (A) the last annual bonus paid prior to Employee's termination of employment and (B) the average of the last three years of annual bonuses paid to Employee prior to the Anticipated Separation Date. This will be paid gross on the next available payroll cycle following six months after the Actual Separation Date**.** In addition, subject to the first sentence of this paragraph, Company will pay a nationally recognized outplacement firm of its choice for Unlimited Signature outplacement services to be provided for Employee. Employee will forfeit such services if he does not start them within 30 days following the Actual Separation Date. Furthermore, notwithstanding Employee's signing of this Agreement, the Company shall pay Employee for all properly submitted expenses pursuant to the applicable Company policies and Employee shall receive all applicable vested benefits under the terms of the Company's employee benefit plans.

d. Enhanced Separation Benefits. In consideration for Employee's timely signing and delivering the agreement to ratify the release of claims on or within five (5) days following the Actual Separation Date as described in Section 5 herein (the "Ratification Agreement") and performing services as contemplated in Section 1(b) herein through the Anticipated Separation Date (other than as a result of physical or mental infirmity), unless his employment is terminated pursuant to a Good Leaver Termination or employment terminates by mutual agreement of the Company and Employee, and subject to Sections 13 and 14 herein, the Company agrees to pay to Employee the following enhanced separation benefits described in this Section 1(d) herein so long as Employee signs and does not revoke this Agreement during the Ratification Agreement revocation period described in the Ratification Agreement:

i. Enhanced Long Term Incentives Vesting. The Company will accelerate the vesting of Employee's 2022 restricted stock unit award(s) (and for the avoidance of doubt, not performance share unit award(s)) that were granted in January 2022 or thereafter under the Baker Hughes Company 2021 Long-Term Incentive Plan (the "Post-2022 RSUs") to vest upon the Anticipated Separation Date or, if earlier, the Actual Separation Date. For the avoidance of doubt, any vesting/payment in relation to a Change in Control (as defined in the Company's 2021 Long-Term Incentive Plan), if a Change in Control occurs prior to the Anticipated Separation Date, shall apply to Employee's outstanding equity awards.

ii. Extended Post-Termination Exercise Period. The Company will provide that the Employee's vested stock options that are outstanding as of the Actual Separation Date remain outstanding until the current expiration date, notwithstanding any post-

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termination exercise period set forth in the applicable award agreement or equity plan.

iii. STIP Payment. The Company will exercise its discretion under the Baker Hughes Company Executive Officer Short Term Incentive Compensation Plan (the "STIP") such that, subject to the terms of the STIP, at the same time as other participants are paid under the STIP, Employee will be paid a pro-rated award under the STIP for the performance period in which occurs the Actual Separation Date (provided, that, solely in the event of a Good Leaver Termination and if the Actual Separation Date occurs in 2022, the 2022 STIP award shall not be pro-rated and if the Actual Separation Date occurs in 2023, Employee shall be treated as having been employed through April 30, 2023) based upon the available quarterly performance results during the performance period. Employee will not be eligible for any further payments under the STIP.

iv. Continued Participation in Company Benefit Plans: Subject to the terms and conditions of the applicable health and welfare benefit plan and applicable law, Employee shall continue to participate in the Company's health and welfare benefit plans for the six month period immediately following the Actual Separation Date as if Employee had remained employed during such six month period. Premiums will be fully paid by the Company.

v. Tax Equalization. The Company shall provide for tax equalization for the UK in accordance with the Tax Equalization Exhibit set forth on Exhibit A hereto.

Employee acknowledges these enhanced separation benefits are benefits to which Employee is not otherwise entitled pursuant to any agreement, or under any policy or practice of the Company.

e. Accelerated Consulting Payment. Subject to Employee signing and not revoking this Agreement during the revocation period described in 3(c) herein, in the event that Employee's employment is terminated as a result of a Good Leaver Termination or employment terminates by mutual agreement of the Company and Employee following the Transition Date and prior to the Anticipated Separation Date and the consulting period under the Consulting Agreement never commences, the Company shall pay Employee a lump sum payment equal to $600,000 (less applicable withholding) that is payable, subject to Section 13 of this Agreement, within sixty (60) days of such termination of employment. For the avoidance of doubt, if the consulting period under the Consulting Agreement commences, Employee shall not have any rights pursuant to this Section 1(e).

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f. Paid Time Off. Employee understands and agrees that the consideration provided in this Agreement includes any paid time off and that Employee will not receive any payment for unused or accrued paid time off of any kind.

g. Long-Term Incentives. Except as specified in Section 1(d), long-term incentive awards previously granted under Baker Hughes programs shall be governed by the terms of the applicable award agreements and the applicable long-term incentive programs. Employee will not be granted any additional long-term incentive awards following the Effective Date of this Agreement and outstanding long-term incentive awards shall be treated in accordance with their existing terms as described on Exhibit B hereto. Subject to Section 13, the settlement of any prorated long-term incentive awards shall occur on a date that is six months after the Actual Separation Date.

h. Legal Fees. Employee shall be entitled to be reimbursed by the Company for the reasonable legal fees and expenses incurred in connection with negotiating and documenting this Agreement, subject to (x) the Company receiving customary back-up documentation regarding such fees and expenses and (y) an aggregate cap (including legal fees and expenses) of $5,000.

2. Employee Acknowledgments and Representations. Employee acknowledges, represents and agrees as follows:

a. Receipt of Wages and Benefits. Except as stated above, Employee agrees that Employee has received all wages and compensation, including but not limited to overtime compensation, due to Employee. Employee is not entitled to any other payments of any kind, including to the payments and benefits Employee is receiving under this Agreement, except as a result of Employee's agreement to the terms herein. Employee agrees that those payments and benefits are sufficient consideration for this Agreement.

b. IMPORTANT NOTICE REGARDING RELEASE OF CLAIMS OF AGE DISCRIMINATION. Employee acknowledges that Employee knowingly and voluntarily enters into this Agreement with the purpose of waiving and releasing any age discrimination claims Employee may have under the Age Discrimination in Employment Act ("ADEA"), including the Older Workers Benefit Protection Act ("OWBPA"), and Employee acknowledges and agrees that:

i. this Agreement is written in a manner in which Employee fully understands;

ii. Employee specifically waives any rights or claims arising under the ADEA;

iii. Employee's agreement to all of the terms set forth in this Agreement is knowing and voluntary;

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iv. Employee is not waiving rights or claims under the ADEA that may arise after the date this Agreement is executed;

v. the rights and claims waived in this Agreement are in exchange for consideration over and above anything to which Employee is already entitled; and

vi. Employee has been and is hereby advised in writing to consult with an attorney prior to executing this Agreement, and has, in fact, had an opportunity to do so.

vii. as required pursuant to the OWBPA, Employee is being provided with information in Attachment 1 to this Agreement regarding which employees are eligible for severance benefits.

c. Time to Review & Revoke.

i. Employee has been given a period of up to Forty-Five (45) calendar days, if desired, within which to consider this Agreement and, in the event Employee decides to execute this Agreement in fewer than Forty-Five (45) calendar days, Employee acknowledges that he has done so with the express understanding he has been given and declined the opportunity to consider this Agreement for a full Forty-Five (45) calendar days. Employee further acknowledges that his decision to sign the Agreement in fewer than Forty-Five (45) calendar days was not induced by the Company through fraud, misrepresentation, or a threat to withdraw or alter the offer prior to the expiration of the Forty-Five (45) days' time period. Employee agrees with the Company that changes, whether material or immaterial, do not restart the running of Forty-Five (45) days consideration period.

ii. Employee has the right to revoke this waiver and release of any claims under the ADEA covered by this Agreement within 7 calendar days from the date Employee executes this Agreement. This Agreement shall not be effective until such 7-day revocation period has expired without Employee having exercised these revocation rights. Thus, this Agreement will become final, binding and enforceable on the eighth (8th) calendar day after Employee executes and delivers this Agreement to the Company (the "Effective Date"), provided it has not been duly revoked in accordance with the terms herein. Notice of revocation must be made in writing by Employee and received by the Company within seven (7) calendar days from the date Employee executes this Agreement. In order to constitute notice of acceptance and/or revocation hereunder, such notice must be delivered to:

Victor V. Wright, Vice President, Labor and Employment Law
Baker Hughes Company
17021 Aldine Westfield Rd.
Houston, Texas 77073
victor.wright@bakerhughes.com

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d. Disclosure of Past and Present Claims. Employee is not aware of (or has already disclosed to the Company) any information Employee has or knows about conduct by the Company or any of the Releasees (as such conduct relates to the Company) that Employee has any reason to believe violates or may violate any domestic or foreign law or regulation or Company policy, or involves or may involve false claims to any applicable jurisdiction.

e. Alternative Dispute Resolution. Employee agrees that Employee's agreement to Solutions or any applicable prior internal Company alternative dispute resolution process (for purposes of this Agreement collectively called "Company ADR") remains in effect. Employee further agrees to submit to the Company ADR any claims not released by this Agreement and covered by the Company ADR, or any claims that arise after the date Employee signs this Agreement, to the maximum extent permitted by law, including but not limited to, disputes about the Agreement itself. Employee understands Employee is giving up the right to a jury trial for such claims and that all such claims submitted to final and binding arbitration pursuant to the Company ADR will be decided solely by an arbitrator. Employee may ask Manjit Gill (Vice President Total Rewards and Talent Management) (Manjit.Gill@bakerhughes.com) for another copy of the Company ADR process. Without limiting the foregoing, Employee agrees that any claims for benefits under the Baker Hughes Company Executive Severance Program are subject to the arbitration provisions specified in the Baker Hughes Company Executive Severance Program.

f. Company's Reliance on Employee's Representations. Employee understands that the Company is relying on Employee's representations and obligations contained in this Agreement, including but not limited to Employee's Release of Claims.

g. Existing Restrictive Covenants. Employee agrees that, in addition to any restrictive covenants set forth herein or in the Consulting Agreement, any existing Non-Solicitation agreement and/or Non-Compete agreement to which Employee is a party shall continue in full force and effect, including Employee's Confidentiality and Innovation Agreement, signed on July 2, 2017 (Attached as Exhibit D) (as amended, the "ECIA"), as modified by the Offer Letter entered into by Employee, dated June 29, 2017 (the "Offer Letter").

h. No Other Severance Benefits. For the avoidance of doubt, Employee will not be entitled to any other severance benefits and/or payments under the Baker Hughes Company Executive Severance Program or under any other severance program or agreement that are not specified in this Agreement.

3. Confidentiality of this Agreement. Unless compelled by law to do so, Employee has not and will not disclose the fact of, terms and conditions of, or amounts in this Agreement to anyone other than Employee's spouse, legal or financial advisor, or U.S. governmental officials who seek such information as part of their official duties. Employee may also make disclosures if

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required in connection with any legal process between Employee and the Company or any Releasees and may disclose provisions related to restrictive covenants to any potential future employer or business partner. If a third party requests or demands that Employee disclose or produce this Agreement or any terms or conditions in it, Employee will not take any action related to such request or subpoena without, if legally permitted, first notifying the Company and giving it a reasonable opportunity to respond. For the avoidance of doubt, Employee is receiving Enhanced Separation Benefits being offered to him that are beyond the Regular Severance Benefits he would normally be entitled to receive and therefore his confidentiality obligations owed to the Company in keeping this Agreement, and its terms, completely confidential are considered by the Company to be a key and material term that if breached by Employee shall result in the Company having the absolute right, in its discretion, to immediately cancel and revoke payment to Employee of any of the Enhanced Separation Benefits set forth in Section 1(d) of this Agreement, provided, that, any dispute as to such breach shall be subject to the legal process for disputes under this Agreement if disputed by the Employee.

This Section 3 does not in any way restrict or impede Employee from exercising protected rights to the extent that such rights cannot be waived by agreement or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order.

4. Release of Claims. In return for the consideration provided by this Agreement, Employee for Employee, and for Employee's heirs, assigns, and agents, waives and releases all waivable claims of any kind (whether known or unknown, and including those under the Age Discrimination in Employment Act (ADEA)) that Employee may have against Releasees (defined below), which arise from or relate to Employee's employment and/or the termination of Employee's employment with the Company (the "Release"). The released/waived claims include, but are not limited to, any and all claims that Releasees discriminated, harassed or retaliated against Employee on the basis of race, color, religion, national origin, sex (including pregnancy), sexual orientation, gender identity/expression, age, disability, veteran status or other characteristic or activity protected by law, violated any Company policies, procedures, covenants or express or implied contracts of any kind, violated any public policy, statutory or common law (including tort), or are in any way obligated to pay Employee damages, expenses, costs or attorneys' fees in relation to an alleged violation of any waivable local, state or federal law and/or the laws of any other country or jurisdiction, including but not limited to any laws and regulations of the United States and the State of Texas.

Releasees are the Company, its predecessors, successors and assigns, their current and former direct and indirect parents, affiliates, subsidiaries, divisions, and related business entities, and their current and former officers, directors, shareholders, employees, agents, representatives

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and employee benefit programs (including the trustees, administrators, fiduciaries and insurers of such programs). This Release does not waive any rights or claims that may arise after the date Employee executes this Agreement, or that cannot be lawfully released. This Release does not modify or affect any vested benefits to which Employee may be entitled under the terms of the applicable Plan or any employee benefit plan of the Company or any of its affiliates (or any of Employee's rights or the Company's obligations under this Agreement), including Employee's benefits with respect to the BHGE Supplementary Pension Plan that are described on Exhibit C to this Agreement ("BHGE SPP Benefits"). This Release does not release or waive any claims or rights Employee may have to indemnification and/or directors' and officers' liability insurance under the Company's applicable policies and agreements or require Employee to release any claims which cannot be released under applicable law.

This Release is not intended to prevent or discourage Employee from filing a claim or charge or participating in an investigation or proceeding of a governmental agency, including any state or federal fair employment practices agency and law enforcement authorities, but Employee is waiving all rights to monetary, injunctive or other personal relief from the Releasees that may result from that process to the maximum extent permitted by law; provided however that this waiver shall not apply to participation in any investigation or proceeding conducted by the U.S. Securities and Exchange Commission or other agency that precludes such a waiver. Employee also understands that this Release does not prohibit Employee from discussing Employee's compensation with others; or reporting conduct to, providing truthful information to, or participating in any investigation or proceeding conducted by any federal or state government agency or self-regulatory organization.

Employee acknowledges that his place of employment is the United States. Employee agrees to release any and all claims that are releasable and waivable under the laws of the United Kingdom, subject to the same qualifications and exceptions as set forth above. Employee further acknowledges and agrees that the severance payment as described in item 1(c) is payment in full of any and all obligations the Company may have to Employee under any and all laws and/or contracts of the United Kingdom, including, without limitation, any notice, garden leave or other separation or severance related benefits or payments.

Employee agrees that on or immediately (within five (5) days) after the Actual Separation Date, Employee will execute a Ratification Agreement (in the form of the RATIFICATION AGREEMENT EXHIBIT) covering the period from the Effective Date of this Agreement to the Actual Separation Date and agrees that all the covenants that relate to the Company's obligations on or after the Actual Separation Date (including the payment of the consideration hereunder) will be contingent on Employee's execution of the Ratification Agreement.

The Company hereby acknowledges that, as of the date of this Agreement, its board of directors and Chief Executive Officer do not have any knowledge of any claims that the Company or any of its affiliates would have against Employee as of the date hereof.

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5. Employee's Availability. Employee agrees to make himself reasonably available to the Company to respond to requests for information related to Employee's employment with the Company. Employee will cooperate with the Company in connection with existing or future litigation or investigations brought by or against the Company or any of its affiliates whether administrative, civil or criminal in nature including making himself available for consultation, document review and live testimony if requested by Company, subject to Employee's business and personal commitments. The Company will reimburse Employee for reasonable out-of-pocket expenses that Employee incurs directly as a result of such cooperation including reasonable travel and related expenses based on substantially the same parameters as would be applicable as of the Anticipated Separation Date (and reasonable legal fees incurred by independent counsel in connection with such cooperation if Employee in good faith believes such independent counsel to be appropriate and subject to the reasonable approval of the Company's Chief Legal Officer). Employee shall not be required to cooperate against Employer's own legal interests. In addition to the immediately following paragraph, employee shall continue to be covered by the applicable indemnification agreement.

   In the event Employee is named personally as a defendant in any lawsuit involving actions Employee may have taken during the course of Employee's employment, which were reasonable, in the scope of Employee's job duties, and not in violation of any Company policies and/or any Company practices and procedures, the Company will, consistent with applicable laws and Company policies and practices, provide Employee with reasonable legal defenses in any such lawsuit.

6. Non-Disparagement. Employee agrees, subject to any obligations that he may have under applicable law, that Employee will not make or cause to be made any statements or take any actions that disparage or in any way damage the reputation of the Company or any of its affiliates, subsidiaries, officers, directors or employees. The Company agrees that it shall use reasonable efforts to cause the executive officers and directors of the Company to not make or cause to be made any statements or take any actions that disparage or in any way damage the reputation of Employee and the Company shall not issue any official public statements that disparage or in any way damage the reputation of Employee. The parties understand that nothing in this section prevents either party from disclosing or making statements, of any nature, regarding possible violations of law or regulation to government agencies or authorities. Further, this Section 6 does not in any way restrict or impede either party from exercising protected rights to the extent that such rights cannot be waived by agreement (or from engaging in legal process with the other party or its affiliates) or from complying with any applicable law or regulation or a valid order of a court of competent jurisdiction or an authorized government agency, provided that such compliance does not exceed that required by the law, regulation, or order. In addition, either party may make truthful statements to rebut or correct false or misleading statements made about such party.

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7. Future Employment. The Company is not obligated to offer employment to Employee (or to accept services or the performance of work from Employee directly or indirectly) now or in the future.

8. Return of Company Property; Final Expense Report. Employee agrees that he has, or will have, as of the Actual Separation Date, returned to the Company all Company property or equipment in his possession, including but not limited to: any documents (whether in electronic or hard copy), computer, computer related hardware, external data storage or other memory device, phone, tablet, printer, scanner, credit card, keys, and security badge assigned to Employee (other than de minimis items); provided, however, that Employee may retain certain property until the end of the Consulting Period set forth in the Consulting Agreement that the parties expressly agree are essential to Employee providing the consulting services as contemplated by the Consulting Agreement. The Company shall cause Employee's two (2) mobile numbers to be transferred to Employee as soon as practicable following the Actual Separation Date in accordance with Company practice.

   Employee also agrees that Employee has, or will have, as of the Actual Separation Date, returned all documents and other written materials, computer programs, and any other confidential and proprietary information of the Company and any other items which, by their nature, are for use of the Company's employees only, other than any such documents, materials, programs or other information that the parties expressly agree are essential to Employee providing the consulting services. Other than in the normal course of performing his duties for the Company, Employee has not provided any of the Company's confidential and proprietary information to any other person or entity, nor does any other person or entity possess any of the Company's confidential and proprietary information as a result of any actions or inactions by Employee.

   Employee further acknowledges that Employee has received no permission, either written or oral, to retain any such materials, programs, information or items referenced in this Section 8.

   Employee agrees that, as of the Actual Separation Date Employee will have submitted the appropriate T&E expense reports for any expenses on Employee's corporate credit card.

   Notwithstanding the foregoing, Employee shall be permitted to retain his calendar, contacts and personal correspondence and any information or documentation reasonably needed for Employee to prepare his personal tax returns. The parties agree that Employee shall provide the appropriate personnel of the Company with access to his records to confirm that Employee only retains the information provided in the foregoing sentence.

9. Confidential Information. Employee acknowledges that Employee received Confidential and Proprietary information during the course of Employee's employment with the Company. Employee represents that Employee has not and will not copy, transfer or take any of the Company's Confidential Information to any external storage device, external personal email

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or disclose in any other manner without written approval by the Company's Chief Human Resources Officer. The Company's Confidential Information includes but is not limited to documents and data containing work product that Employee or others prepared for the Company during Employee's employment. Confidential Information does not include materials of a solely personal or social nature or documents that relate to Company provided compensation or benefits received by Employee or his dependents. If Employee has any questions regarding what Employee can/cannot copy, transfer or take, Employee will raise those questions to Manjit Gill (Manjit.gill@bakerhughes.com) prior to signing this Agreement. If Employee has previously copied, transferred or taken Confidential Information, Employee will tell the Company, permit the Company to retrieve such information in a forensically sound manner, and allow and/or assist the Company, or its designee, to permanently delete the data from Employee's personal computer or other storage.

Employee understands that nothing herein prevents Employee from disclosing a trade secret or other confidential and proprietary information of the Company ("Confidential Information") when reporting, in confidence, potential violations of law or regulation to U.S. government authorities, including but not limited to the Department of Justice and the Securities and Exchange Commission, or to a U.S. court or as otherwise required by applicable law.

10. Non-Solicitation. Employee agrees and reaffirms that this Agreement does not, supersede, revoke, or cancel Employee's obligations to the Company under any preexisting agreements, including but not limited to the ECIA, or any other applicable employment agreement containing intellectual property assignment, confidentiality, non-competition and/or non-solicitation provisions; that such agreements shall survive Employee's Actual Separation Date; and Employee shall not breach such obligations.

    Without limiting the foregoing, Employee agrees that up until the Actual Separation Date and continuing for one year (12 months) following the Actual Separation Date, Employee will not, without the prior written approval from Manjit Gill (Vice President Total Rewards and Talent Management), directly or indirectly (a) encourage or attempt to encourage (or assist another in encouraging or attempting to encourage) any of the Company or its affiliates' employees, contractors, consultants, suppliers, or vendors to terminate their relationship with the Company or its affiliates; or (b) solicit or contact for employment, engagement, or hire (or assist another in those activities) any of the Company's employees or exclusive contractors. This paragraph shall not prohibit (x) general advertisements not focused specifically on the employees, contractors, consultants, suppliers, or vendors of the Company or its affiliates or (y) Employee from providing a personal reference at the request of an employee or consultant for potential employment or service at an entity that Employee is in no way affiliated with.

11. Agreement Not to Cooperate Against the Company or Any of the Releasees. Except to the extent prohibited by law, Employee agrees that Employee will not voluntarily cooperate in any litigation against the Company or any of the Releasees, arising out of or relating to Employee's

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employment with the Company up to the Actual Separation Date, or invite or suggest subpoenas to any proceeding against the Company or any of the Releasees, excluding cooperation with any governmental entities which is not covered by this paragraph.

12. Breach by Employee. The Company's obligations to Employee under this Agreement are contingent upon Employee in all material respects fulfilling Employee's obligations under this Agreement and not incurring a termination of employment with the Company or its affiliates for "Cause" as defined in the Baker Hughes Company Executive Severance Program. Employee acknowledges and agrees that any breach by Employee of the obligations under this Agreement inevitably would cause substantial and irreparable damage to the Company and its subsidiaries, for which money damages may not be an adequate remedy. Accordingly, Employee acknowledges and agrees that the Company will be entitled to an injunction and/or other equitable relief, without the necessity of posting security, to prevent the breach of such obligations. If the Company proves a breach in court or arbitration, Employee shall indemnify and hold the Company harmless from any loss, claim or damage and if Employee breaches the Release, Employee shall pay all reasonable attorneys' fees, costs and expenses incurred in enforcing its rights under this Agreement as well as repay all compensation and benefits paid as consideration under the terms of this Agreement, except to the extent that such reimbursement is prohibited by law or would result in the invalidation of the release above. If Employee breaches in any material respect any other provision of this Agreement and such breach is not cured within 30 days following Employee's receipt of written notice from the Company, the Company may cease making severance payments under this Agreement.

13. Compliance with Section 409A of the Internal Revenue Code. This Agreement is intended to satisfy the requirements of Section 409A of the Internal Revenue Code (and any related guidance issued by the IRS or the Treasury Department) ("Section 409A"), so as to avoid the imposition of any additional taxes, penalties or interest under those rules. Accordingly, the Company will, following consultation with Employee, modify this Agreement to the extent necessary to avoid the imposition of any such additional taxes, penalties or interest; provided, that any such modification shall use all reasonable efforts to maintain the intended economic benefits of this Agreement. In the unlikely event that this need arises, the Company will take reasonable efforts to provide advance written notice to Employee. All payments under this Agreement will be delayed to the extent necessary to comply with the rules in Section 409A(a)(2)(B)(i) (generally requiring a delay of six months after separation from service for certain payments made to top-50 officers determined in accordance with Company rules).

14. Severability of Provisions. If a court or arbitrator holds that any provision in this Agreement is legally invalid or unenforceable, and cannot be modified to be enforceable, the affected provision will be stricken from the Agreement and the remaining terms of the Agreement and its enforceability shall remain unaffected.

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15. Benefit Plans. The Company reserves the right to terminate, amend, suspend, replace or modify any of its benefit plans and compensation programs at any time and for any reason, and Employee will be subject to any such termination, amendment, suspension, replacement, or modification; provided, that, Employee shall be treated no less favorably than other similarly situated executives or former executives of the Company. If a plan or program is terminated, Employee will not receive any further benefits under that plan/program, other than payment for benefits for services or coverages incurred before it was terminated. This paragraph shall not alter any vested benefits to which Employee may be entitled under the terms of the Plans in which Employee is vested, including the BHGE SPP Benefits.

16. Entire Agreement. This Agreement, together with the Consulting Agreement, the ECIA and, to the extent applicable, the Offer Letter, sets forth the entire agreement and understanding between the parties. The parties agree they have not relied on any oral statements that are not included in this Agreement. Except for as set forth herein, this Agreement supersedes all prior agreements and understandings concerning the subject matter of this Agreement, other than as described in this Agreement. Any modifications to this Agreement must be in writing, must reference this Agreement, and must be signed by Employee and an authorized employee or agent of the Company. The agreement becomes binding upon the signature of all parties.
17. Applicable Law. This Agreement shall be construed, interpreted and applied in accordance with the law of the State of Texas.
18. Unemployment Compensation. Nothing in this Agreement is intended to affect Employee's ability to seek Unemployment Insurance (UI). The Company will provide accurate information in response to requests related to Employee's application for UI benefits regarding the terms of Employee's separation from the Company.
19. Tax Withholdings. All payments made pursuant to this Agreement are subject to all applicable tax withholdings and other deductions (to the extent such other deductions would not constitute accelerations of payment under Section 409A).
20. Format. Employee and the Company agree that a facsimile ("fax"), photographic, or electronic copy of this Agreement shall be as valid as the original.
21. Human Capital & Compensation Committee. As Employee is a current member of the Company's Executive Leadership Team, this Agreement is subject to the final review and approval of the Company's Human Capital & Compensation Committee prior to becoming effective and binding on the parties to this Agreement, which has occurred.

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I acknowledge that I understand the above agreement includes the release of all claims. I understand that I am waiving unknown claims and I am doing so voluntarily and intentionally.

BRIAN WORRELL

By: DocuSigned by: Brian Worrell 3F3B32F69DB644C...

Date: 12/2/2022

Workday ID: 245196

BAKER HUGHES COMPANY

By: Manjit Gill DocuSigned by: Manjit Gill DBFF4583E5A8456...

Date: 12/2/2022

Workday ID: 293470

Exhibit 21.1

Baker Hughes Company
SIGNIFICANT SUBSIDIARIES
December 31, 2022

Subsidiary	Jurisdiction	Percentage Ownership
EHHC NewCo LLC	Delaware	100%
CFC Holdings LLC	Delaware	100%
Baker Hughes Holdings LLC	Delaware	Note (1)*
Baker Hughes Energy Services LLC	Delaware	100%
Baker Hughes Energy Manufacturing LLC	Delaware	100%
Baker Hughes International Branches LLC	Delaware	100%
Baker Hughes International Holdings LLC	Delaware	100%
Baker Hughes Holdings SECS LLC	Delaware	100%
Baker Hughes Energy International B.V	Netherlands	100%
Baker Hughes Energy Europe B.V.	Netherlands	100%
Nuovo Pignone Holding S.p.a.	Italy	Note (2)
Nuova Pignone International S.r.l.	Italy	100%
Nuovo Pignone S.r.l.	Italy	100%
Baker Hughes International Holdings, S.à r.l.	Luxembourg	100%
Baker Hughes Holdings 3 S.à r.l.	Luxembourg	100%
Baker Hughes Luxembourg Holdings S.C.A.	Luxembourg	Note (3)
BJ Services International S.à.r.l.	Luxembourg	100%
Baker Hughes Nederland Holdings B.V.	Netherlands	100%
Baker Hughes EHO Holdings LLC	Texas	100%
Baker Hughes Limited	United Kingdom	100%

Notes:

(1) Baker Hughes Holdings LLC	
*EHHC NewCo LLC - the Managing Partner	36.779700 %
CFC Holdings LLC	3.825700 %
Baker Hughes Company	59.394600 %
(2) Nuovo Pignone Holding S.p.a.	
Baker Hughes Energy Europe B.V.	83.7387 %
Other subsidiaries of Baker Hughes Holdings LLC	16.2458 %
Third Party	0.0155 %
(3) Baker Hughes Luxembourg Holdings S.C.A.	
Baker Hughes Holdings 3 S.à.r.l.	99.999994 %
Baker Hughes Luxembourg LLC	0.000006 %

EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-256119) on Form S-8 and (No. 333-256439) on Form S-3 of our reports dated February 14, 2023, with respect to the consolidated financial statements of Baker Hughes Company and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Houston, Texas

February 14, 2023

Exhibit 31.1

CERTIFICATION

I, Lorenzo Simonelli, certify that:

1. I have reviewed this annual report on Form 10-K of Baker Hughes Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2023

By: /s/ Lorenzo Simonelli

Lorenzo Simonelli

President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Nancy Buese, certify that:

1. I have reviewed this annual report on Form 10-K of Baker Hughes Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 14, 2023

By: /s/ Nancy Buese

Nancy Buese
Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Baker Hughes Company (the "Company") on Form 10-K for the period ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Lorenzo Simonelli, President and Chief Executive Officer of the Company, and Nancy Buese, the Chief Financial Officer of the Company, each of the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

The certification is given to the knowledge of the undersigned.

/s/ Lorenzo Simonelli

Name: Lorenzo Simonelli
Title: President and Chief Executive Officer
Date: February 14, 2023

/s/ Nancy Buese

Name: Nancy Buese
Title: Chief Financial Officer
Date: February 14, 2023

Exhibit 95

Mine Safety Disclosure

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K, which require certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977.

The table that follows reflects citations, orders, violations and proposed assessments issued by the Mine Safety and Health Administration (the "MSHA") for each mine of which Baker Hughes Company and/or its subsidiaries is an operator. The disclosure is with respect to the full year 2022. Due to timing and other factors, the data may not agree with the mine data retrieval system maintained by the MSHA at www.MSHA.gov.

Year Ended December 31, 2022

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Proposed MSHA Assessments [1]	Mining Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e) (yes/no)	Received Notice of Potential to Have Pattern Under Section 104(e) (yes/no)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Morgan City Grinding Plant/1601357	5	—	—	—	—	$ 4,009	—	N	N	—	—	—
Argenta Mine and Mill/2601152	—	—	—	—	—	$ —	—	N	N	—	—	—

[1] Amounts included are the total dollar value of proposed assessments received from MSHA on or before December 31, 2022 for citations and orders occurring during the year ended December 31, 2022, regardless of whether the assessment has been challenged or appealed. Citations and orders can be contested and appealed, and as part of that process, are sometimes reduced in severity and amount, and sometimes dismissed. The number of citations, orders, and proposed assessments vary by inspector and also vary depending on the size and type of the operation.