2023 Corporate Sustainability Report

Baker Hughes

Energizing sustainable change

Our purpose:

We take energy forward, making it safer, cleaner and more efficient for people and the planet.

About this report

Our frameworks

Our sustainability report is prepared using the Global Reporting Initiative's GRI's Standards and the Greenhouse Gas (GHG) Protocol as the foundation of our report. We also provide reporting indices for the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainable Accounting Standards Board (SASB) and Gas Services Industry Standard–Extractives and Minerals Processing Sector.

Accessibility and usability

This report delivers enhancements designed to improve usability:

- Audio features narrate the report for visually impaired, readers with dyslexia or other reading impairments.
- Expansion of color palette to support accessibility for visually impaired readers.

Reports and policies

Our archived reports and policies are accessible on our website.

Cover photo L to R:
Ishan Jeet, Isabela Vieira, IET

Who we are

We are an energy technology company.

Our purpose

We take energy forward, making it safer, cleaner and more efficient for people and the planet.

Sustainability vision

To be a sustainable pioneer in everything we do, positioning Baker Hughes as the future energy technology company of choice.

Our values

Grow

See challenge as opportunity and learn every day.

Lead

Make, invent and perform with impact.

Collaborate

Inspire, be inclusive and bring out the best in each other.

Care

Do the right thing, always for our customers, our people and the environment.

Steve Xiong, Electronic Tech, IET

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Jose Sanchez, Lead Manufacturing Engineer, OFSE

A letter from our Chief Executive Officer

Baker Hughes' purpose—to take energy forward, making it safer, cleaner and more efficient for people and the planet—has been at the heart of our business for over a century. As we continue accelerating the energy transition, our mission has never been more relevant.

Climate change is a real and existential challenge of our times. We see its effects impacting the global economy and how we live daily. The global stocktake completed in 2023 by the United Nations (UN) at the 28th Conference of Parties (COP28) underscored the importance that action must meet stated emission reduction ambitions. The urgency to act has never been clearer. Our sponsorship of COP28 is a testament to our commitment to emissions reduction and supporting a more sustainable, resilient energy future.

With our diverse portfolio of technology, equipment and service solutions for the natural gas value chain, we are positioned to play a key role to enable energy security and affordability in a sustainable manner. By leveraging sustainable practices, we have reduced the carbon intensity of our operations while enabling our customers and partners to meet their environmental goals using low-carbon and new energy solutions. We are driving transformative and meaningful change for energy producers and users today to address the urgency and scale required to meet the world's energy demand. Sustainability is a key differentiating capability for Baker Hughes. This enables us to optimize efficiency in the lifecycle of energy production. In support of circular economic practices, we continue to repurpose, reuse and design our products to reduce our environmental impact.

I'm proud of the terrific progress we've made this year across our sustainability framework of People, Planet and Principles, including:

We are advancing our workforce representation and inclusion. Women in STEM increased by **2.1%** points YoY (12.1% to 14.2%).

Our scope 1 and 2 greenhouse gas (GHG) emissions decreased **28.3%** from our 2019 base year.

We spent **$410 million** with diverse and small business suppliers furthering our partnerships with minority-owned businesses and supporting the local communities.

In this report, you will learn more about the ways we are embedding sustainability across our business for a lower-carbon, sustainable future. Only with a true culture of sustainability will our people be empowered to make sustainable choices, tackle the hardest challenges and take positive action for the planet. Together, our team of ~58,000 employees is committed to continually raising the bar.

Lorenzo Simonelli
Chairman, President and Chief Executive Officer

A letter from our Chief Sustainabilty Officer

The Paris Agreement's first global stocktake in 2023 concluded that the world is behind in achieving the goals set out in 2015. UN Global Compact's Compact's global private sector stocktake also highlighted the need for the private sector to accelerate action on sustainable development goals further.

Baker Hughes is committed to operating sustainably as one of the first companies in our sector to make a net-zero emissions commitment and as a signatory of the UN Sustainable Development Goals (SDGs). We have a clear focus on delivering sustainable operations and solutions for customers with rigor, transparency, data and technological integrity.

In 2023, we worked to activate our sustainability strategy across the Company. Through our existing corporate sustainability framework—People, Planet and Principles—we have continued to support the UN SDGs and move beyond pledges to weave sustainability more deeply into our culture. We can only deliver on our promises as a company by linking a culture of sustainability to how we solve the biggest challenges.

People

Our people are central contributors to our purpose of taking energy forward. We believe attracting a diverse workforce is critical to our success in support of the energy transition. In 2023, we saw an increase in women employee representation (19.1% to 19.5%) within the Company. Executive leadership has sponsored 20+ working groups across the enterprise to embed sustainable practices, thus driving key outcomes in line with our sustainability strategy.

Planet

We achieved 28.3% reduction in our scope 1 and 2 emissions from our 2019 base year. This year, we committed to an internal scope 3 goal — and created the roadmap toward meeting that goal — for each of the ten categories of scope 3 emissions that we have quantified. We empowered our ~58,000 employees to reduce operational emissions through our flagship Carbon Out program, resulting in over 550 Carbon Out projects commenced or to be implemented.

Principles

At Baker Hughes, doing the right thing comes first. We believe that this commitment to integrity is fundamental to running a sound, successful and sustainable business. Our strong corporate governance starts at the top with our Board of Directors and cascades down throughout our business to all levels. One of our standards includes the annual training and acknowledgement of our Code of Conduct, which was completed by 97.5% of employees. We understand that to have a sustainable business, we must also engage with our local communities. During the calendar year, our annual local spend in areas we operate was 80.0% of our procurement spend.

While pursuing our business and financial objectives, our team adheres to the Code of Conduct and applicable laws and policies.

Sustainability is at the core of our corporate strategy and is one of our leading differentiators today. As the energy transition progresses globally, I'm incredibly proud of our progress so far, delivered by our people who drive sustainable practices for Baker Hughes and the world.

Allyson Anderson Book
Chief Sustainability Officer

Who we are

L to R: **Michele Lauriola,** Systems Engineering Manager, IET | **Inia Oboigbator,** Senior Finance Manager, IET | **Ilaria Cabona**, Systems Engineer, IET

Who we are

Baker Hughes[1] is a leading energy technology company comprised of ~58,000 employees who harness the power of engineering, data and science to redefine how all of us will take energy forward.

We conduct business in over 120 countries to provide solutions for our customers in the energy and industrial sectors. Together, we will make a safer, cleaner and more efficient planet for everyone.

To accomplish such a feat, we are working to reduce the carbon intensity[2] of our operations, applying proven low-carbon technology to help our customers meet their environmental goals and developing innovative new products and services for the future.

Baker Hughes has a diverse portfolio of technologies and services across the energy landscape delivered through two business segments.

L to R: Amalia Pagliuca, Manuela Tonti, IET

[1] Baker Hughes Company ("Baker Hughes", "the Company", "we", "us", or "our")
[2] Carbon intensity is a measure of carbon dioxide and other greenhouse gases (CO_2e) per unit of activity

We leverage our corporate structure to advance sustainable energy.

Oilfield Services and Equipment (OFSE):

Designs and manufactures products and services for onshore and offshore oilfield operations across an asset's lifecycle, ranging from exploration, appraisal and development to production, rejuvenation and decommissioning. Beyond its traditional oilfield concentration, OFSE is also expanding its capabilities and technology portfolio to meet the challenges of the energy transition, including new energy areas such as geothermal and carbon capture, utilization and storage (CCUS), strengthening its digital architecture and addressing key energy market themes.

Industrial and Energy Technology (IET):

Combines a broad array of domain expertise, technologies, software and services for energy customers, including on- and offshore, liquified natural gas (LNG), pipeline and gas storage, refining, petrochemical, distributed gas, hydrogen, CCUS, clean power and renewable energy. It also provides cutting-edge technology for energy consumers and/or organizations reliant on infrastructure integrity. IET solutions unlock the ability to transform and transport energy efficiently while reducing emissions, addressing a fundamental challenge behind the energy trilemma: reducing environmental impact while maximizing efficiency, safety, productivity, reliability and availability.

Our two business segments

OFSE	IET
Leading services and products provider for onshore and offshore oilfield operations across the lifecycle of a well, focused also on new energy areas such as geothermal and CCUS	Leading industrial and energy technology provider for LNG, upstream and industrial applications including CCUS, hydrogen and emissions management capabilities

Expertise in...

Directional drilling	Compression and power generation
Well construction	Equipment and aftermarket services
Production maintenance and enhancement	Condition monitoring and inspection

New energy...

Leveraging subsurface to surface portfolios for geothermal and carbon storage solutions	Existing core technologies enable opportunities in carbon capture, hydrogen, clean power solutions and emissions abatement

Figure 1-1: Business Segments

L to R: **Gunalan Mahaathevan,** Field Service Engineer, IET | **Teresa Caruso,** GTS ASPIRE Program, IET

Our business strategy

Our business strategy is focused on delivering near-term targets while laying the foundations for long-term success. Our focus across three time horizons strengthens our core competitiveness and delivers higher-productivity solutions today. It also allows us to invest for growth and position Baker Hughes as a leader in the energy transition. By executing this strategy, we are delivering sustainable value for our shareholders and stakeholders.

Transform the core

We are transforming our current business to improve margins and cash flow, which we are achieving through portfolio rationalization, cost improvement and new business models.

Invest for growth

We are driving organic and inorganic growth in high potential markets where we have a strong position, including industrial power and processes, digital enablement, non-metallics and chemicals.

Position for new frontiers

We are making strategic investments to drive lower carbon emissions in the energy and industrial sectors, including hydrogen, geothermal, CCUS and clean power solutions.

Our economic impact

During 2023, we built strong momentum, improving our financial results over the prior year. In OFSE, we saw key commercial successes and solid margin improvements. In IET, we benefited from robust growth in LNG orders, driving remaining performance obligations (RPO) to levels to levels that provide meaningful revenue visibility. We also achieved significant increase in new energy orders compared to 2022 as we continued to experience growing demand for decarbonization solutions across the Company's IET and OFSE portfolios.

Baker Hughes generated $25.5 billion in revenue in 2023, an increase of $4.4 billion or 21% from the prior year of 2022. This was primarily driven by increased activity across both business segments, OFSE and IET.

For more detail about Baker Hughes' financial performance, see:

Our Annual Report

Table 1-1: Direct and indirect economic impacts (million USD)

		2021	2022	2023
Revenue	$	20,502	21,156	25,506
Total costs and expenses	$	19,192	19,971	23,189
Payments to providers of capital[3]	$	1,488	1,862	1,633
Payments to governments (net cash tax payments)	$	314	498	595
Total charitable pledges and contributions	$	45	75	64

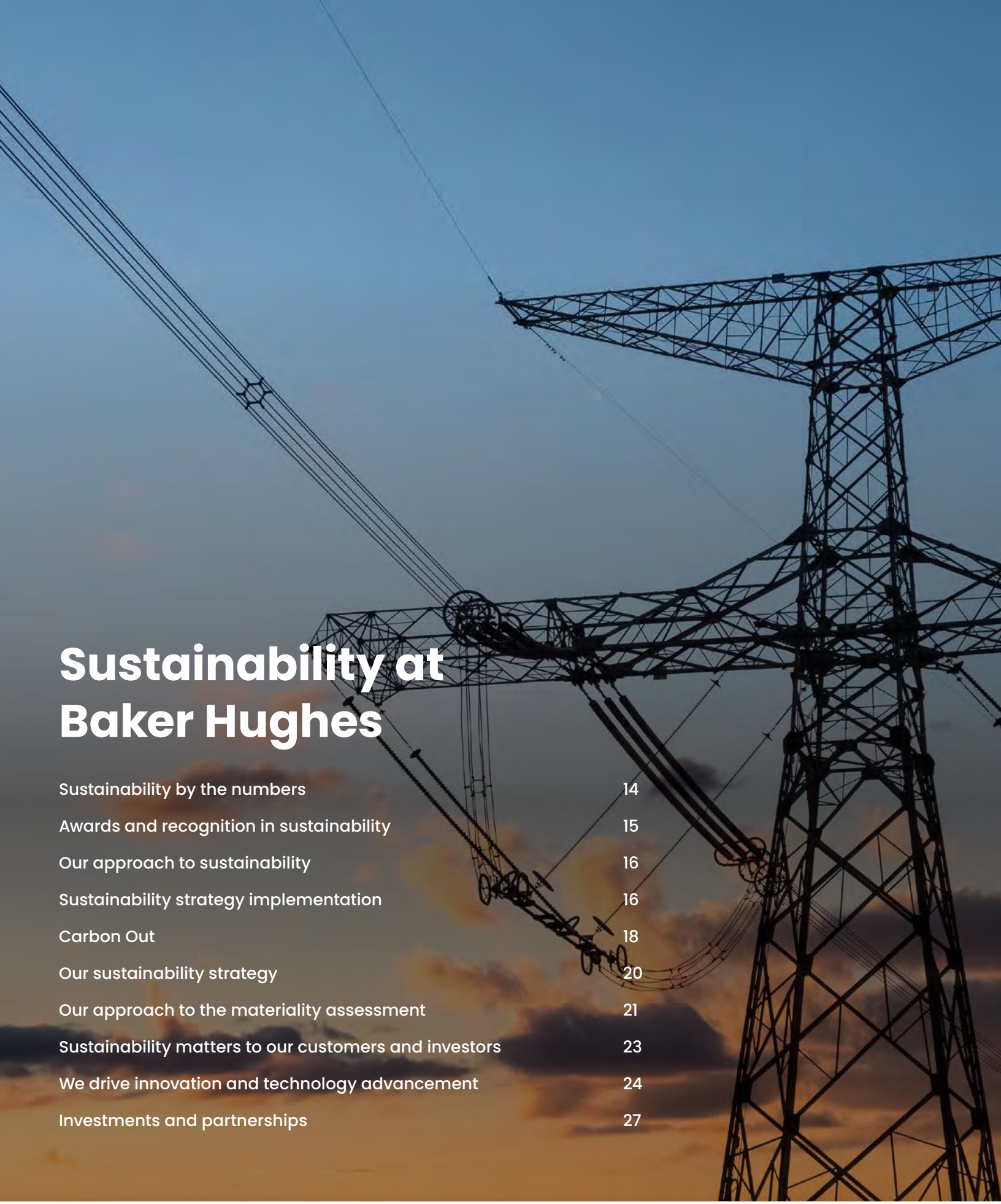
[3] An organization can calculate payments to providers of capital as dividends to all shareholders, plus interest payments made to providers of loans

Lokesh Chandrabalan, Lead Engineer - Manufacturing & Quality, Disciplinary Engineering and Science, IET

Our values and culture

Our Company is defined by our strong values and the culture we have built. These values are straightforward, memorable and foster an action-oriented way of expressing our culture. Due to these foundations, we have a culture characterized by performance, inclusion, safety and integrity. Read more about how our values are driving change and bringing our culture to life in the following People, Planet and Principles sections.

	What does it mean?	Why it matters
Grow See challenge as opportunity and learn every day	• Learn continually • Be adaptable • Manage ambiguity • Be resilient	The energy transition will present scenarios we have yet to imagine. By embracing a growth mindset, we will be ready to adapt and win.
Collaborate Inspire, be inclusive and bring out the best in each other	• Instill trust • Communicate openly • Manage conflict • Value difference • Partner with communities	Collaboration sits at the heart of our efforts to transform the core, invest for growth and position for new frontiers. Without collaboration, we will not survive through the energy transition.
Lead Make, invent and perform with impact	• Cultivate innovation • Empower others • Be accountable • Deliver results	Customers are looking for strategic partners as they move forward through the energy transition. Our people, our innovative solutions and our consistent delivery will differentiate us against competitors.
Care Do the right thing, always, for our customers, our people and the environment	• Focus on the customer • Develop others • Practice sustainability • Own integrity • Be responsible for safety, quality and compliance	Every day, people choose to work with Baker Hughes because they know we care. Our dedication to our people, our customers and the environment, along with our relentless focus on doing the right thing, make us a company like no other.



Sustainability at Baker Hughes

Sustainability by the numbers at Baker Hughes

People

$63.7 million
contributed in cash and in-kind contributions to local communities

Our workforce grew from ~55,000 employees to
~58,000

$410 million
spent with diverse suppliers and small businesses (Tier 1 and Tier 2 combined)

Planet

28.3%
reduction of scope 1 and 2 emissions from our base year

36.0%
reduction of scope 2 market based emissions from 2019 base year

27.1%
reduction in the volume of hazardous waste produced globally compared to 2022 base year

Principles

Recorded 199 Perfect HSE Days and
over 1.4 million
safety observations completed

Sustainability Support Center received approximately 600 requests, an
increase of 48.5% YOY[4]
for topics including ESG[5] management, social risks, GHG emissions, emission reduction initiatives and supply chain

Employees completed
641,248 training
hours with our available 230 HSE[6] courses

[4] YOY: year-over-year
[5] ESG: Environment, Social and Governance
[6] HSE: Health, Safety and Environment

Awards and recognition

"Industry Mover" by Global S&P Sustainability Yearbook 2023

Just Capital 2024 Industry Mover

Just Capital: ranked ranked first in Energy Equipment Energy Equipment and Services companies

EcoVadis Silver ESG

AA ESG Rating MSCI

Ally Energy GRIT Best Energy Workplace (three-time winner)

Ranked fifth in the Fortune Modern 25 Board

Golden Peacock Award "2023 Global Award for Sustainability" in the Energy Technology sector

Product Innovation and Design Award at The Manufacturer MX Awards 2023 - Druck

Institutional Investor All-America Executive Team 2024 - Winners by Sector - Combined Overall

Hart Energy's 2023 ESG Awards: Cleaner, Safer, More Diverse

Amauro Arsenio, Field Service Engineer, IET

Our approach to sustainability

Our sustainability strategy aligns with our Company's growth and financial goals which extend beyond bottom-line considerations. Being a sustainable company means doing business in a way that allows us to be successful today while ensuring future growth. Sustainability is fundamental to our Company's purpose. We operate responsibly to minimize environmental impact and maximize social benefits by by enabling affordable, sustainable and secure energy production for people and the planet. Our vision is to be a sustainable pioneer within the energy and industrial sectors, thus positioning Baker Hughes as the energy technology company of choice.

Sustainability strategy implementation

Baker Hughes' sustainability strategy underpins our commercial strategy and serves as our roadmap to embed People, Planet and Principles into our business. Our sustainability programs focus on reducing risk and meeting business objectives, setting parameters that guide us as we align with stakeholder priorities. Our People, Planet and Principles focus, formalized in our publicly disclosed framework, is the playbook that empowers employees at all levels to drive sustainable change. With a "top-down" and "bottom-up" approach, fueled by shared purpose and Baker Hughes' maturity in sustainability, our people are measurably driving the shift from aspiration to action—from promises to delivery. We are strengthening our skills, experience and desire to enable Baker Hughes and our customers to thrive in a low-carbon world.

Across our global workforce, we are driving a culture shift, embedding sustainable behaviors and spotlighting the opportunities born out of stakeholder priorities and emerging regulatory requirements.

Our people can intentionally activate change. Our strategy deployment efforts in 2023 focused on operationalizing 20+ working groups with defined cross-functional and business segment subject matter experts to provide leadership, governance, tools and resources to execute the 30 strategic outcomes outcomes on page 20. We established formalized training modules to ensure consistent process and progress.

Our communities of practice are designed to enable cross-company information sharing and support more effective collaboration to drive sustainable solutions. We continued to expand our existing communities of practice with significant growth in 2023 for our Carbon Out network, which focused on identifying and executing emission reduction projects across our locations globally. Read more about our Carbon Out program on p 18.

> "To lead effective change, we must build a coalition, create consensus and facilitate dialogue and productive challenge."
>
> — Baker Hughes Change Management Playbook

More than...

20+
working groups

30
strategic outcomes

Communities of practice

Also, in 2023, we formally launched our Sustainability Capabilities workstream. This project used company-specific insights and market-based research to identify roles and skills needed for our businesses to meet our goals and those of our customers. This effort drove enterprise alignment on supporting and adjacent capabilities, building a strong foundation for our organization to continue progressing and differentiating capabilities through our talent processes, operating models, communities and infrastructure.

We engaged employees through voluntary project teams to expand knowledge sharing and action initiatives. Our change management, communications and sustainability teams collaborated to conduct stakeholder analysis. These teams helped to implement strategic action planning and best practices. As a result, employee awareness increased and engagement grew.

In 2023, we formalized three new communities of practice:

Water Management and Biodiversity

Waste, Circularity and Sustainable Supply Chain

Policy and Funding

Hannah Jasinski, Product Management, OFSE

All in. Carbon Out.

Our Carbon Out program is how we empower our employees to operate sustainably, with a continued focus to provide our customers with sustainable solutions. Through this program, our people actively participate in reducing our operational and value chain emissions. With sustainable practices and employee-driven solutions, we are able to drive carbon emissions down in our operations. This engagement program provides tools, a framework, funding and resources to engage Baker Hughes employees in systematically reducing operational emissions.

Business Need: Our global Carbon Out program is the way our Company takes carbon dioxide equivalent (CO_2e) of our operations. Every employee has a role to play in making us more sustainable. Becoming a sustainable energy technology company requires a transformation across many parts of the organization, including our culture. All employees, despite their roles, can learn how to work and live more sustainably.

Since its launch in 2021, Carbon Out has engaged and enabled employees and leaders across Baker Hughes with the knowledge, training and resources to systematically reduce our CO_2e emissions. Our employees are empowered to identify emissions reduction solutions and projects, which are then reviewed and approved to ensure timely, efficient and cost-effective implementation. We offer learning opportunities and resource groups. This ensures team members have the knowledge and skills to embed sustainable practices in their daily work.

Business Impact: As a global program with over 550 projects to be implemented or implementation commenced, our employees and Carbon Out leaders have demonstrated commitment to our net-zero goal by identifying and executing projects in 2022 and 2023. Employees can consult with their HSE representative, facility team, or Carbon Out leader to share their ideas.

In 2023, our Carbon Out program expanded in breadth and depth of impact with over 500 employees that are Carbon Out leaders across both business segments. These employees represent multiple corporate disciplines, such as HSE, supply chain, sourcing, real estate, field service engineers and finance. The goal of our champion network is to build and execute a pipeline of projects that enable us to achieve CO_2e emissions reduction throughout our operations and value chain.

Through Carbon Out, our employees were provided with educational materials on sustainability which equipped them with the right knowledge and skill set to identify qualifying projects. Participants of our core leadership training programs - ASPIRE, CULTIVATE and IMPACT - were engaged in the Carbon Out program to grow sustainability skill sets.

Over 500 employees are *Carbon Out* leaders. *Carbon Out* gives every person the pathway to identify key projects or initiatives, going *All in* as climate champions to take *Carbon Out*.

We have utilized crowdsourced ideas and employee-driven initiatives across the Company to help build a pipeline of new CO_2e emissions reduction projects for review, consideration and funding. Consistent engagement and awareness campaigns in the last year have increased our focus on sustainability in our operations and contributed to a mindset shift among our employees to adopt more sustainable practices in their day-to-day lives. We believe this transformation is foundational to being a sustainable business.

Energy conservation at United Arab Emirates (UAE) facilities

ALL IN. CARBON OUT.

Training our employees in the processes of emission reduction is a huge part of our Carbon Out program. Our UAE HSE team and the real estate facilities team actively conducted Carbon Out training for UAE HSE and facility team members, empowering them to identify opportunities to eliminate energy waste.

One opportunity identified through this training was emissions reductions through minimization of compressed air leaks. A team in Dubai implemented a system to detect compressed air leaks and optimize compressors, reducing energy consumption. Knowledge and best practices have been shared across the region to further expand our energy reduction efforts.

Supporting UN SDGs:

7 AFFORDABLE AND CLEAN ENERGY

In support of UN SDG target 7.2: Many of the projects led by our Carbon Out leaders are initiatives to reduce energy consumption at our facilities and to promote the use of alternative, cleaner energy sources in our operations.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

In support of UN SDG target 9.1: Carbon Out is allowing for our people across the globe to improve the infrastructure of our communities through projects led by Carbon Out leaders

17 PARTNERSHIPS FOR THE GOALS

In support of UN SDG targets 17.16, 17.17, 17.18 and 17.19: Carbon Out is enhancing our people's ability to reduce carbon emissions by seeking out partnerships and collaboration efforts that can spread to other sectors and companies.

Our sustainability strategy

Our strategy consists of six goals that serve as the framework for operationalizing sustainability and will help us to achieve our long-term vision. Our goals are delivered through objectives linked to the most important issues. Our strategic outcomes are how we measure success.

	Our goals *What we aim to deliver*	Objectives *How we will deliver success*	Strategic outcomes *How we will measure success*
People	**Attract, retain and develop a diverse workforce of the future**	Ensure we **attract**, **retain** and **develop** diverse talent Commit to progress on **diversity**, **equity** and **inclusion**	• Increase women and people of color representation YOY • Retention parity across under-represented groups • Best-in-class talent management and acquisition • Achieve top quartile inclusion index rating annually • Track spend with diverse suppliers
	Actively engage our people and our communities	Actively **engage** with communities in which we live and work Embed **sustainability** as everyone's responsibility	• Invest to support global communitites • YOY increase on employee volunteer hours • Company-wide plan aimed at driving habits of sustainability
Planet	**Pioneer low carbon energy solutions to deliver value for our customers**	Become a **net-zero** business by 2050 Enable our partners to thrive in a **low-carbon world**	• Reduce scope 1 and 2 greenhouse gas emissions by 50% by 2030 • Reduce scope 3 emissions by 2033 • Complete LCAs for the >95% emissions intensive products by 2026
	Champion environmental stewardship and minimize our footprint	Minimize the **resources** we use **Reduce spills** and report them transparently	• Reduce waste to landfill by 25% by 2030 • Reduce spills at our sites • Reduce usage in water stressed sites by 20% by 2030 • Assess 100% of sites for biodiversity risk by 2030 and implement risk management programs for high-risk sites • BH positioned early and recognized as key technology provider • YOY increase in research and development funded by external sources
Principles	**Drive a culture of transparency and integrity — doing the right thing beyond compliance**	Champion **compliance** and ethics Ensure sustainable **governance**	• 100% of targeted personnel training annually on human rights policies and procedures • Specialized human rights training completed for >80% SSRP auditors and sourcing by 2025 • Process to record, track and monitor human rights grievances in place Q1 2024
	Take energy forward responsibly and with integrity and transparency	Uphold the highest **health**, **safety** and **environmental standards** Strive for **principled**, **diverse** and inclusive supply chain	• 100% completion of annual Board training and select executive staff for ESG-related topics • Align annual executive compensation to ESG outcomes by 2025 • 100% of employees including governance body members completed Code of Conduct training annually by 2024 • Total Recordable Incident Rate < 0.3 • All Perfect HSE Days • Active suppliers assessed for environmental criteria every three years • 90% of SSRP audit red-flag findings closed within 90 days • 90% completion rate for SSRP planned audits • 80% of suppliers agreeing to Baker Hughes Integrity Guide by 2030

Figure 2-1: Our sustainability strategy

Baker Hughes is dedicated to advancing sustainability practices across our People, Planet and Principles initiatives.

We seek input from internal and external stakeholders to assess and adjust our priorities in response to the evolving global dynamics. Our structured materiality assessment is a critical foundation for our sustainability strategy and ensures our alignment with issues that may impact our business, communities and planet. This assessment is updated at least biannually and was last updated in 2022.

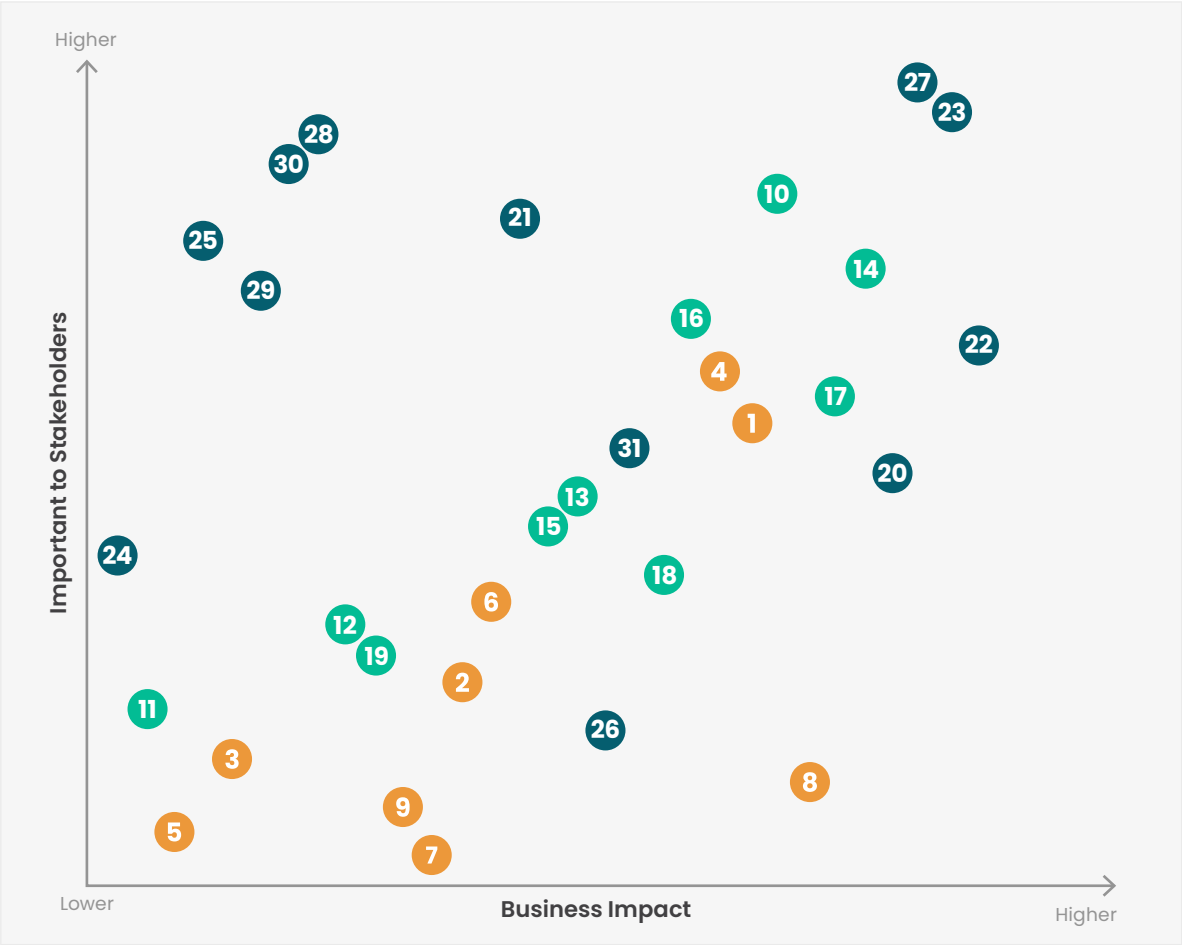
Our approach to the materiality assessment

Our materiality assessment was conducted using best practice methodologies and informed by the guidance of the most widely recognized, including the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). Our analysis is primarily based on surveys of stakeholder sentiment on ESG topics and included viewpoints and responses from various stakeholder groups, including investors, customers, governments, educational institutions, trade associations and employees, to identify topics of importance. More information is in Appendix C. After survey data was collected, follow-up interviews were completed and analyzed. We utilized best practice to position topics relative to the degree of stakeholder interest and potential business impact on the following materiality matrix. Any of the topics shown in figure 2-2 represent stakeholder interest. The position on the chart provides the averaged level of concern or opportunity conveyed by the stakeholder. For a topic to be shown on the chart, multiple survey participants had to indicate that the issue was of interest.

Identifying and knowing our stakeholders gives us valuable insights on aspects of the economy, environment and people for Baker Hughes to evaluate.

L to R: **Gunalan Mahaathevan**, Field Service Engineer, IET | **Teresa Caruso**, GTS ASPIRE Program, IET

Baker Hughes ESG Materiality (2022)



People

1	Attracting, Retaining and Developing Talent
2	Collaboration with Academia and NGOs
3	Community Impact
4	Diversity, Equity and Inclusion
5	Employee Benefits and Wellbeing
6	Employee Engagement
7	Just Transition Principles
8	Stakeholder Engagement
9	Supplier Diversity

Planet

10	Air and GHG Emissions Reduction
11	Biodiversity Impact
12	Circular Economy and Waste Management
13	Climate-related Risks
14	Energy Transition Strategy
15	Publicly Stated Net Zero Pathways
16	Research and Development Investment to Accelerate Energy Transition
17	Production Emissions
18	Renewable Energy Sourcing
19	Water Management

Principle

20	Corporate Governance
21	Cybersecurity and Data Production
22	ESG Reporting and Transparency
23	Ethics and Compliance
24	Geopolitical Climate
25	Global Health Emergency Response
26	Green Investment
27	Health, Safety and Environment Management
28	Human Rights and Modern Slavery
29	Labor Rights
30	Physical Security
31	Sustainable Supply Chain

Figure 2-2: Materiality assessment

Sustainability matters to our customers and investors

Three hard truths

To be an innovative leader offering sustainable solutions and a provider of choice, we know we must face some hard truths head-on.

01

Without accelerating the deployment of current technologies and the development of future technologies, the industry will not meet net-zero targets.

02

Reliance on hydrocarbons will remain in the near term, so efficiency matters.

03

There's no path to net zero without partnerships, integrated thinking and common sustainability standards.

The increasing demand for efficient and sustainable technologies and end-to-end solutions from our investors and our customers presents Baker Hughes with an opportunity to lead in the energy transition and sustainability space. We are an early adopter and recognized leader in sustainability. Throughout 2023, we partnered with customers to support their sustainability targets and net-zero goals.

We focus on the entire lifecycle of energy

Baker Hughes focuses on the entire energy production and consumption lifecycle to optimize efficiency, minimize environmental impact at every stage and provide long-term value. We ensure that the energy solutions provided are sustainable not only for the environment but also for the economy and society at large. Our technologies and services enable our customers to thrive in a low-carbon world by helping their own sustainability profiles, which is increasingly important to regulators, investors and the public.

With our enhanced sustainability solutions our customers can:

Know their carbon footprint: We provide on-demand, verified emissions data for our products and solutions through our proprietary Fast Lifecycle Assessment, *Fast*LCA, tool and a comparative analysis of quantified emissions. The tool is aligned to ISO 14040/44 and ISO 14067:2018 and provides our customers verified GHG emissions footprint of the assessed products and/or systems.

Be prepared and ready for upcoming regulatory reporting requirements: As new reporting regulations are introduced, our Company recognizes that we will need to adapt to them. We will leverage our expertise and resources to ensure compliance while guiding our customers through this transition period.

New and upcoming regulations, including the European Union's Carbon Border Adjustment Mechanism and the Corporate Sustainability Reporting Directive, require our customers to report embedded carbon emissions on all their imported products and their scope 1 and 2 emissions. Our customers will need to collect, verify and report their emissions data. Through our emissions modeling and life cycle assessments, we can fill this gap in the goods and services they import or purchase from Baker Hughes, which we — as their supplier — can provide through our emissions modeling and LCAs.

We drive innovation and technology advancement

To meet the global energy demands of today and the future, a variety of efficient processes, innovative technology and commercially viable energy sources are needed as the world moves toward a low-carbon energy system. We develop and deliver end-to-end technology solutions in key areas across the energy value chain, using engineering, science and data to redefine what's possible in the context of the energy trilemma of sustainability, security and affordability. We have world-class material scientists, engineers, skilled technicians and innovative researchers developing the latest non-metallic, composite and advanced materials to ensure improved efficiencies and maximum uptime, avoid HSE risks and reduce costs for operators.

Our OFSE business segment 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 and never wavering from a longstanding and recognized commitment to safety and execution. 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.

As the energy transition advances, we expect our digital offering to scale as customers focus on efficiencies and emissions reductions and successful commercialization of digital and new energy solutions in the near term and next horizon. Long term, we expect emissions reductions to become a prerequisite for all energy projects, thus driving significant order growth across our new energy offerings.

Climate technology and innovation

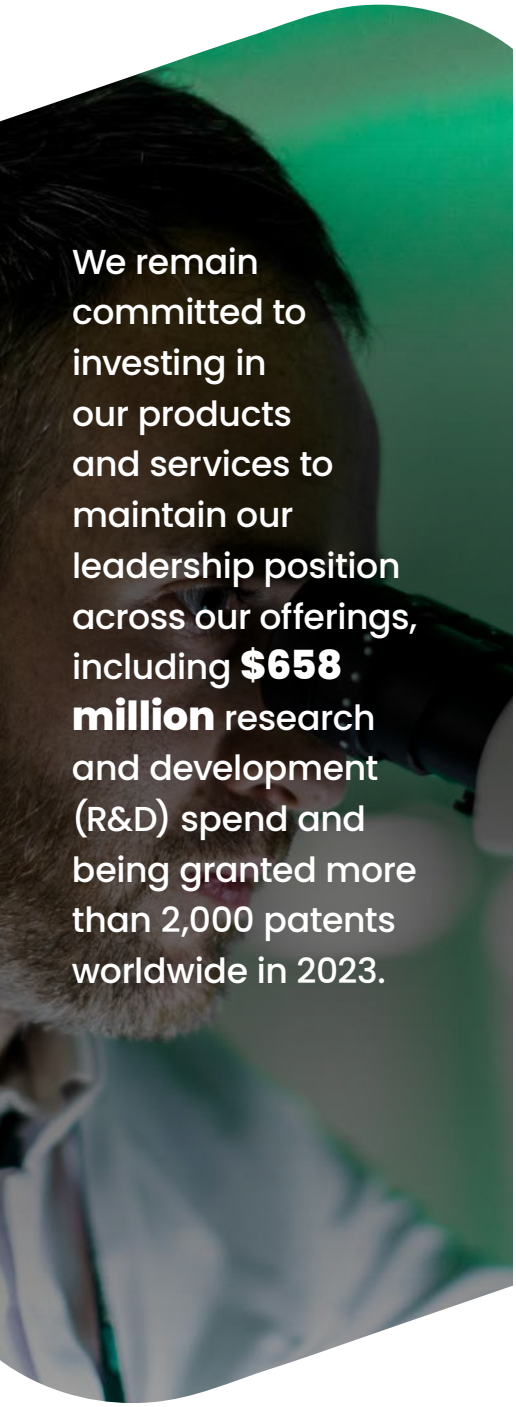
The Climate Technology Solutions (CTS) portion of our Industrial and Energy Technology business segment spans CCUS, hydrogen, clean power and emissions management capabilities. Through new technologies like electric-powered, zero-emissions integrated compression lines and offshore and onshore decarbonization technologies, Baker Hughes is driving efficiencies and cleaner solutions. We have invested in our technology in order to enable hard-to-abate sectors to progress in their net-zero journey. CTS has seen tremendous growth, with revenue of $326 million in 2023.

Today, we continue to focus on our research and development efforts towards new products, services, technology and innovations. Through our technology centers, we invest in fundamental technologies such as materials, additive manufacturing, sensing, artificial intelligence, machine learning and other digital technologies such as computer vision, edge computing and data science.

Innovation Awards

Baker Hughes was recognized as a finalist in six categories at the 2023 Gulf Energy Information Excellence Awards, reaffirming our position as a leading energy technology company. These categories include:

- **Best Completions Technology – Completions and Well Intervention (CWI)**
- **Best Deepwater Technology – CWI**
- **Best Modeling Technology – Process and Pipeline Services (PPS)**
- **Best Production Technology - PPS**
- **Best Drilling Technology - Well Construction**
- **Best Deepwater Technology - Surface and Subseas Production Systems (S&SPS)**



Spotlights on progress

NovaLT™16 hydrogen turbines

Baker Hughes completed manufacturing and testing of its NovaLT™16 hydrogen turbines in December 2023 in our Florence facility. Our NovaLT™16 turbine can start-up and burn gas blends up to 100% hydrogen. It can also switch from natural gas to blends or 100% hydrogen with no hardware changes. The whole gas turbine package is now ready to run on 100% hydrogen, with no CO_2 emission at the exhaust system.

ThermaStim™

ThermaStim™ is our new technology that empowers operators to unlock the full potential of geothermal energy while reducing environmental risk and carbon footprint. ThermaStim™ is a low corrosive, onsite stimulation system that represents a novel method of harnessing geothermal energy with improved safety and enhanced production.

PythonPipe™

Our Flexible Pipe Systems business has launched its new PythonPipe™ portfolio. This technology enables faster installation, reduced time to first production and lower lifecycle emissions. The diverse liner options in the PythonPipe™ portfolio provide chemical and permeation resistance combined with a wide range of reinforcement types, product sizes, temperature and pressure capacities to address our customers' diverse needs, all while achieving up to 75% reduction in carbon emissions throughout its lifecycle.

Compression solutions for CO_2 Injection

Our IET business was awarded a contract in the first quarter of 2023, to supply CO_2 compression solutions for Petrobras' P-80, P-82 and P-83 Floating Production Storage and Offloading (FPSO) projects in Brazil. The six-gas turbine-driven compression trains are designed to reinject more than 1 MTPA of CO_2 each into the oil reservoir. This latest contract will result in Baker Hughes supplying major compression services for all Petrobras' FPSO vessels.

Combined cycle for FPSO

In July 2023, Baker Hughes was awarded an order comprised of turbomachinery equipment — including LM2500 gas turbine generators and steam turbine generator technology — for a combined cycle power generation solution to be installed in the BM-C-33 FPSO to reduce the project's carbon footprint, as well as process design engineering, supporting materials and auxiliary equipment. Combined cycles are an important trend in the offshore oil and gas industry, as they enable the reduction of the overall FPSO carbon emissions. In this project, Baker Hughes expects more than 20% emissions reduction versus similar open cycle FPSOs with the same power demand. This is the second combined cycle power generation FPSO project developed by Baker Hughes for MODEC and Equinor in Brazilian deep waters, following the award for the Bacalhau FPSO in 2020.

Angelo Donato, Engineering and Technology - Materials and Processes Engineering, IET

Digital solutions for more intelligent operations

In January 2023, Baker Hughes introduced multiple new digital solutions and investments as a result of detailed research conducted with oil and gas, heavy industry and broader industrial customers and partners. These new digital solutions focus on improving efficiency and performance while reducing emissions, helping to drive the long-term sustainability of our customers' operations.

Leucipa™

Leucipa™ is a public and private cloud-based automated field production software solution designed to help oil and gas operators proactively manage production and increase engineering efficiency. Leucipa focuses first on the specific outcome an operator wants to achieve, harnessing and leveraging data to drive intelligent operations.

The Leucipa technology is now deployed across 20 countries and over 100 reservoirs. Results on the delivered value to existing customers have been swift and significant, with production increases upwards of 3% and 75% efficiency gains in engineering time. For one customer in North America, Leucipa delivered even greater increases, with a production uplift of 14% and an annualized incremental margin of $6 million across 4,000 wells.

Cordant™

Cordant™ is an integrated suite of solutions supporting industrial asset performance management and process optimization. Building on our existing portfolio of solutions, such as rotating equipment, critical sensors, valves, pumps, gears and inspection service domain expertise, Cordant will combine existing digital offerings for hardware, software and services capabilities into one integrated and simplified user interface.

The Leucipa and Cordant solutions leverage and enhance our core capabilities by offering customers a bespoke experience through digital insights gleaned by state-of-the-art artificial intelligence engines. We remain committed to delivering the best solutions for our customers and staying at the forefront of digital innovation.

L to R: **Mike Howe,** General Operator, OFSE | **Tim Smith,** Technician, OFSE | **Travis Hinton,** Test Technician, OFSE

Investments and partnerships[7]

We know that it is critical to partner with companies and organizations committed to developing state-of-the-art technologies that enhance our core business offerings and position us for the future. Our investments in 2023 targeted technologies that promote our core business operations and capabilities in CCUS, hydrogen, clean power and geothermal solutions.

The path to sustainable energy production requires focused collaboration with our industrial partners to bring early technologies to scaled demonstrations and commercial offerings.

Avports

Baker Hughes and Avports have entered into a memorandum of understanding to develop, implement and operate onsite microgrid solutions for the airport industry. At their managed airport locations, Avports focuses on airport innovation and sustainability initiatives that include power resilience and using power solutions such as green hydrogen. With Baker Hughes' broad energy technology portfolio, which includes both hydrogen-ready turbines and heat recovery solutions ideal for microgrid applications, this collaboration will accelerate the adoption and development of customized microgrids to address each airport's specific needs.

Baseload Capital

We have made investments in Baseload Capital, a specialized investment entity that funds the deployment of geothermal heat and power. This investment lays the groundwork for funding high-potential opportunities for development and operation while simultaneously propelling next-generation geothermal technologies from pilot stages to commercial scale.

Corva

In January 2023, we announced a strategic investment and collaboration with Corva, a Houston-based company that delivers cloud-based well construction digital solutions, to bolster oil and gas customers' rig visualization and drive enhanced decision making across the well lifecycle.

L to R: **Rayson Hew,** HR Specialist | **Chiara Martini,** Industrial Relations Specialist, IET

[7] Any use of the term "partner" is not meant to refer to the existence of general or limited partnerships.

Spotlights on progress

HIF Global and Mosaic direct air capture

HIF has two pioneering sites where it anticipates possible deployment of Baker Hughes' Mosaic direct air capture technology. In Magallanes, Chile, the HIF Haru Oni eFuels Facility began producing its first fuels in December 2022. The eFuels facility produces green hydrogen from wind electricity and water, then combines the hydrogen with recycled carbon dioxide to produce eFuels. These are synthetic fuels that can be substituted into existing vehicles without any modifications to their engines. HIF Global is also completing the engineering for the first commercial scale eFuels facility in Matagorda County, Texas and expects to begin construction in 2024.

HyET

Baker Hughes and HyET Hydrogen have entered into a strategic collaboration agreement related to hydrogen compression. The collaboration aims to combine HyET's innovative technology for electrochemical hydrogen compression with Baker Hughes' proven compression technology — including engineering, research and development and manufacturing know-how across a variety of pressure applications, to grow and accelerate the hydrogen market.

Customer collaboration with ADNOC[8]

Baker Hughes and ADNOC announced an agreement to accelerate the development and commercialization of technology solutions. This includes new growth stage decarbonization technologies that we have invested in across the graphene, methane pyrolysis and next-generation electrolysis spaces. ADNOC will leverage our extensive hydrogen expertise and broad technology portfolio to test and develop solutions to produce low-cost green hydrogen and graphene at scale, helping to reduce operational emissions. The collaboration will include exploring the application of three emerging technologies that we have invested in: piloting next generation electrolyzer technology from Nemesys, field testing methane plasma technology from Levidian and testing the growth stage methane pyrolysis technology of Ekona Power.

Daniel Horvath, Assembler, Artificial Lift Pumps, OFSE

[8] ADNOC: Abu Dhabi National Oil Company

People

Jose Sanchez, Lead Manufacturing Engineer, OFSE

What's new in 2023

In the following sections, you will read about actions we have taken to advance our People strategy, as well as some of the impactful initiatives to show our progress against our strategic goals. Some headlines, which will be covered in more detail, include:

We joined the Tent Coalition for Refugee Hiring, resulting in five new hires in United States and Canada.

We built a new training facility in Florence focused on emerging technologies, sustainability and inclusion.

We introduced an Inclusive Leadership learning path with 32 sessions conducted to equip people leaders to lead inclusively.

We invested approximately $50 million in Unity Bank, Texas' sole Black-owned banking institution, furthering our commitment to support diverse suppliers and small businesses.

We embedded sustainability more deeply into the Company by launching three new sustainability trainings for global employees to develop knowledge, competencies and necessary skills to deliver sustainable solutions for the future.

Our People strategy

Baker Hughes has been on a journey of transformation since its inception as an energy technology company. We have continued to grow throughout this transformation, with people driving our progress.

Our sustainability strategy begins and ends with the success of our employees and the communities in which we work. In 2023, our people made a significant impact while building a diverse and inclusive culture, driving our sustainability responsibility within Baker Hughes as we progress towards our net-zero commitment.

Over the last year since releasing our sustainability strategy, we have implemented systematic and foundational changes to deliver progress on our eight strategic outcomes outlined in our sustainability strategy.

Goals *what we aim to deliver*	**Objectives** *how we will deliver success*	**Strategic Outcomes** *how we will track progress*
Attract, retain and develop a diverse workforce of the future	Ensure we **attract, retain and develop** diverse talent	• Increase women and people of color representation YOY • Retention parity across under-represented groups • Best-in-class talent management and acquisition
	Commit to progress on **diversity, equity and inclusion**	• Achieve top quartile inclusion index rating annually • Track spend with diverse suppliers
Actively engage our people and our communities	Engage with **communities** in which we live and work	• Invest to support global communities • YOY increase on employee volunteer hours
	Embed **sustainability** as everyone's responsibility	• Company-wide plan aimed at driving habits of sustainability

Figure 3-1: Sustainability people strategy

Awards and recognition

Attract, retain and develop diverse talent

Gold Award by the UK Government's Defense Employer Recognition Scheme for demonstrating commitment as an employer of choice for Veterans

Three gold and two bronze Brandon Hall awards:

- GOLD for "Best Advance in Learning Technology Implementation"
- GOLD for "Best Use of Social Collaborative Learning"
- GOLD for "Best Development Program for Frontline Leaders"
- BRONZE for "Best Use of Social Collaborative Learning"
- BRONZE for "Best Learning Program Supporting a Change Transformation Business Strategy"

Commit to progress of diversity, equity and inclusion

Runner-up by Parks LGBT+ Diversity Index 2023, among 85 companies across Italy for our commitment in promoting a culture that supports the LGBT+ community

Best ERG awarded to the Baker Hughes Asian Pacific American Forum (APAF) Employee Resource Group (ERG) at the 2023 ALLY GRIT Awards

Recognized as "DEI[9] best places to work for disability inclusion" by Disability:IN with score of 90%, a 10% increase from 2022

Awarded Prime Supplier of the Year by the Houston Minority Supplier Development Council for our best practices in our supplier diversity program

Engage with communities in which with live and work

Baker Hughes India was recognized with the **10th National CSR Times Award in recognition of Project "Swabhimaan"** (meaning 'self-respect'), a CSR[10] initiative on creating tangible change focused on women's empowerment and children's education in one of the largest slums in Bangalore.

Baker Hughes China was awarded **"Top 100 Best Responsible Corporate Brands"** and the **"2023 Outstanding Volunteer Program"** by CSR China Education Ranking for the volunteer network's commitment to making a positive impact.

President's Volunteer Service Award - Gold Winner by the Houston Food Bank for the work over the last year which has positively impacted the community.

[9] DEI: Diversity, Equity and Inclusion

[10] CSR: Corporate Social Responsibility

Our People

Our workforce saw modest growth in 2023 from approximately 55,000 to approximately 58,000. Of that, full-time roles represent 98.7% of our total employees. We offer part-time working arrangements in certain circumstances and regions to meet the needs of our employees and local regulations.

We supplemented the skills of our people, as needed, to react flexibly to business and economic requirements. We partnered with our suppliers who employed approximately 23,355 contingent workers that fulfilled various roles across all business segments and regions where we operate. To find additional employee data, refer to the People Performance Index.

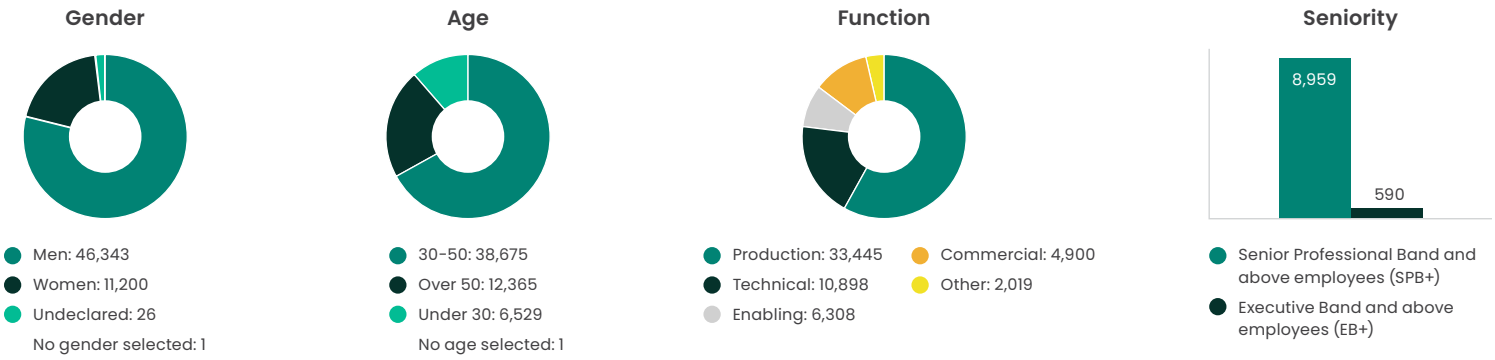


Figure 3-2: Employees by gender, age, seniority and job function

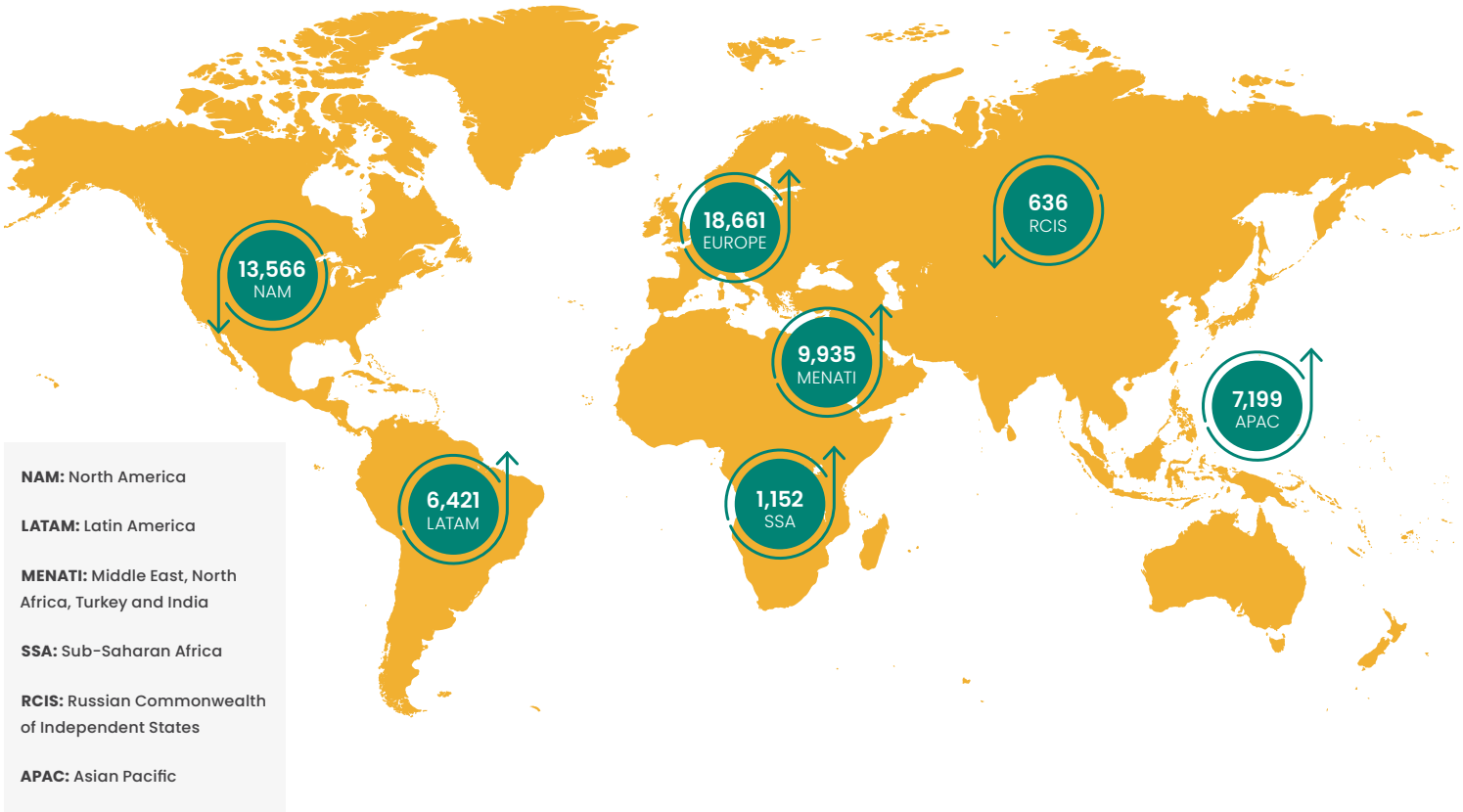


Figure 3-3: Total employees by region[11]

[11] The direction of the arrow in the map graphic denotes if the employee population in that region increased or decreased vs. prior year.

Understanding our job functions at Baker Hughes

Technical

Encompasses roles that manage technology capabilities including technology engineering, project management and software development, among others.

Commercial

Encompasses roles related to selling or advertising our organization including sales, marketing, product development and mergers and acquisitions.

Enabling

Encompasses roles that enable the success of the organization including finance, human resources, legal, sourcing and other support functions.

Production

Encompasses roles that drive production of our products and services including field operations, logistics, manufacturing and client support services.

Other

Represents roles that have not yet been aligned to the other job functions at the time of reporting, such as legacy roles from a merger or acquisition.

OFSE is embedding our sustainability strategy.

"Our Oilfield Services and Equipment business is founded on the talent, innovative spirit and entrepreneurship of our people. We are committed to their professional success, working within a diverse and inclusive culture and providing best-in-class talent management and leadership development opportunities."

— Maria Claudia Borras, Executive Vice President, Oilfield Services and Equipment

Attracting, retaining and developing diverse talent

Throughout 2023, we remained focused on attracting, retaining and developing diverse talent.

The current job market is more challenging than ever, with global inflation and the ongoing Great Resignation phenomenon, causing a surge in competition for talent. However, we are pleased to share some positive news regarding talent retention amidst our business transformation strategy.

In 2023, attrition decreased overall and for women, with the strongest decrease for employees under the age of 30. This reflects our initiatives on our employee value proposition and our attractive, competitive and flexible benefit programs.

The same decreasing trend is represented by voluntary attrition (from 8.6% to 7.0% overall). In particular for women, we experienced a trend reversal, proven by an improved attrition rate of 8.1% in 2021, 9.3% in 2022 and 7.5% in 2023, in alignment with our inclusive culture.

In 2023, women employees increased from 19.1% to 19.5% due to less women attrition and the same number of women hired externally compared to 2022.

A positive increase in women's Science, Technology, Engineering and Mathematics (STEM) roles reflects our efforts to position our company as an employer of choice.

By aligning our culture of inclusion and performance with our strategy, we experienced a marginal decrease in Senior Professional Band and above (SPB+) roles from 16.2% to 15.6% (-0.6% points), while SPB+ women remained almost flat. This trend is partly due to involuntary attrition linked to our business transformation and operational effectiveness.

YOY data at a glance:

Women in STEM increased by **2.1%** points (12.1% to 14.2%)

Total attrition rate decreased by **1.8%** points (12.0% to 10.2%)

Voluntary attrition rate decreased by **1.6%** points (8.6% to 7.0%)

Increase in women employee representation by **0.4%** points (19.1% to 19.5%)

Increase in people of color representation in the United States by **2.2%** points (36.1% to 38.3%)

Sorani Montenegro, Staff Engineer, Systems, Product Design and Engineering, IET | **Chika Kejeh**, HQ, Senior Finance Manager - Investor Relations

Attracting and identifying talent with a purpose

Critical to the execution of our business transformation, we have identified four differentiating capabilities — essential skills of the future. We believe these are the critical skills that will address the needs of the energy transition and help differentiate us in the market.

In 2022, we activated our employee value proposition (EVP) to communicate clear messaging about our Company, our purpose and our culture, as well as to attract prospective talent from diverse backgrounds based on our differentiating capabilities for a competitive talent advantage. We have a compelling value proposition and seek candidates aligned with our values and culture while aiming to ensure a more efficient and effective recruitment process. By aligning our recruiting platforms with the new EVP, we created a consistent message to potential candidates leading to improved candidate expectations.

In the Middle East, North Africa, Turkey and India (MENATI) region, an important aspect of our hiring journey over the last few years has been to prioritize the hiring of local nationals. By building relationships with universities in the region and local partnerships, we have been able to grow our local national talent. In 2023, we expanded engagement throughout the region, exemplified by creating an Emirati youth council to attract and retain local nationals in the UAE. Localization efforts and nurturing talent development in the communities in which we operate extends beyond the MENATI region, as a key component of how we do business.

People first, energy forward

Figure 3-4: Baker Hughes employee value proposition

IET is embedding our sustainability strategy.

"Our Industrial and Energy Technology business segment team spans multiple industry verticals and regions. In 2023, we continued to focus on systems and processes, enhancing our talent management and acquisition capabilities, as well as learning and development and community engagement programs. We achieved an increased pipeline of diverse talent and embedded sustainable practices in our IET operating system, fostering a purpose-driven culture that enables employees to thrive and do their best work each day."

— Ganesh Ramaswamy, Executive Vice President, Industrial and Energy Technology

Spotlights on progress

India - Improving our candidate experience

Strategic Outcome: Increase women and people of color representation

Business Need: Attracting diverse digital expertise in India was an important differentiator against a competitive landscape.

Impact: In India, we hosted a session for 15 women candidates alongside eight women leaders and senior engineers of Baker Hughes. This session focused on helping the candidates network with each other and the women leaders at Baker Hughes, while getting to know the Company. As a result of the engagement and best practices, we saw significant improvement in the candidate experience and a higher offer acceptance rate.

Italy and United States - Hiring in an inclusive way

Strategic Outcome: Best-in-class talent management and acquisition best practices

Business Need: In 2019 the IET Talent Acquisition team identified a gap that neurodiverse talent had unmet needs in the hiring process while roles were going unfilled.

Impact: In partnership with Potentia (in North America) and Specialisterne (in Italy), we launched an autistic designed and led program, intentionally focused on hiring neurodiverse talent using a strengths-based approach. Since 2020, we have hired digital and information technology practitioners, sustainability professionals, engineers, data scientists and data analysts. The program has expanded globally with the central goal of hiring neurodiverse talent and providing holistic support across those teams. In 2023, we have trained hiring managers in North America and Italy on best practices to be more inclusive and effective at hiring neurodiverse individuals. In addition, in North America, we developed guidelines that support hiring managers, buddies, mentors and extended teams in the hiring process, while supporting new team members for a strong onboarding experience. In Italy, we have successfully placed the first employee with Down syndrome into a program cohort. These efforts show that, by leading with a strengths-based approach and the right support, we enable critical business roles to be filled with skilled and diverse talent of all neurotypes.

Supporting UN SDGs:

In support of UN SDG target 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. By developing and implementing our strengths-based approach programs to ensure supportive and inclusive hiring processes, we enable critical business roles to be filled with skilled and diverse talent.

Emmanuel Haastrup, Technician Mechanic, OFSE

India and United States - Recruiting women in engineering

Strategic Outcomes: Increase women representation; best-in-class talent management and acquisition best practices

Business Need: We needed to identify key skills to fill hiring plans while encouraging more diversity in a predominately male field.

Impact: The Baker Hughes Talent Acquisition team held women-only hiring campaigns for mechanical design engineers in India and field engineers in the United States. These hiring events enabled us to target specialized skill sets and focus on increasing women representation, one of our strategic outcomes. At our women-only candidate events, candidates could learn more about Baker Hughes as a company and our career opportunities. These events showcased our focus on diversity, inclusion and equity in our opportunities. As a result of these campaigns, five women mechanical design engineers were hired in India and 21 women field engineers in the United States were made offers with a 75% acceptance rate.

Baker Hughes proudly joins the Tent Coalition for Refugees

Throughout 2023 our North America Talent Acquisition team has been participating in a refugee hiring program designed to support refugees with employment opportunities across Baker Hughes. These efforts led us to becoming a formal member of the Tent Partnership for Refugees in September 2023. Tent is a non-profit organization that mobilizes businesses to connect refugees to work through hiring, training and mentorship. The coalition is made up of more than 350 companies committed to integrating and supporting refugees. Our membership not only marks a significant milestone in our commitment to inclusive employment practices, but also aligns closely with our core values.

As part of our refugee hiring program, we have placed several talented individuals in roles across our organization in the United States and Canada in 2023. Because of Tent's international reach we have been able to further our refugee hiring strategy and are committed to expanding the program to other countries.

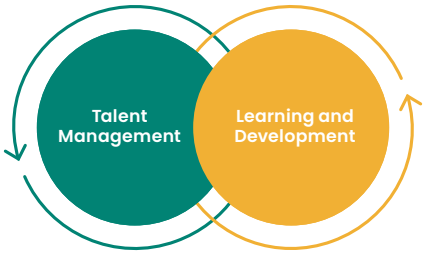
Simona Cozza, Systems Engineer, IET

A commitment to help our people thrive

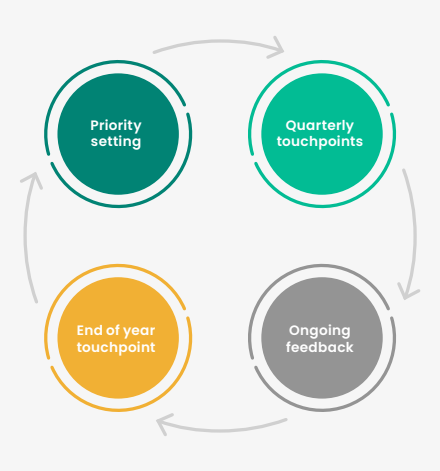
Critical to our transformation is the investment in our employees and our commitment to help our people grow and thrive. Through delivering best-in-class talent management practices and supporting our employees in their learning and development, we are able to achieve our strategic goals.

Talent Management

At Baker Hughes, we believe employees own their careers. To support this, we have performance management practices that provide feedback and formal reviews to support and guide employees to reach their fullest potential. Having intentional discussions that enable employees to grow, learn and advance their skills are an embedded component of our talent management framework.



Our process has four steps, starting with priority setting focused on identifying goals that contribute to our business objectives. Having quarterly touchpoint conversations with managers once priorities are set gives employees a clear direction on what behaviors to continue and how to stay on track. In between touchpoints, employees are encouraged to regularly request and receive feedback from managers and other stakeholders through formal and informal conversations. The end-of-year touchpoint is a discussion with the direct manager about how the employees contributed against their priorities, behaviors to continue or consider for the next year and development needs for future growth.



Having regular performance and career development conversations enables employees to identify ways to build key skills and talk about their career aspirations. Employees in the Professional Band and above (PB+) are required to complete an end-of-year touchpoint, of which 92.1% completed in 2023. While not all employees are required to have an end-of-year touchpoint, we had 68.4% of all employees complete one with their manager in 2023. These conversations act as a catalyst for identifying career progression opportunities and in 2023, 4,620 open roles were filled with internal candidates.

L to R: **Amauro Arsenio, Juliana Magalhaes,** Field Service Engineers, IET

Spotlights on progress

Empowering employees to grow their careers

Strategic Outcome: Best-in-class talent management and acquisition best practices

Business Need: We wanted to help employees take ownership of their own career development.

Impact: Identifying the need to help employees take ownership of their career development while giving them the tools to achieve their unique career goals, the talent leaders in the OFSE business developed a framework that empowers employees to focus on growing their careers through five critical steps. Throughout the year, employees can participate in information sessions about career development, learn about resources for career paths and leverage additional resources discussed in connection to the framework. Started in 2019 in the OFSE business, this career development framework has since been leveraged across multiple functions and teams within Baker Hughes.

Removing talent mobility barriers

Strategic Outcome: Best-in-class talent management and acquisition best practices

Business Need: We needed to fill open roles and create opportunities that promote career development opportunities for employees.

Impact: To address and fill changing roles in our OFSE and IET businesses, the talent leaders identified an opportunity to better align the open roles and employees that could benefit from a rotation. In 2023, both OFSE and IET began a talent exchange council to share information about development opportunities and available or potential open roles. By intentionally matching this information, it encouraged cross-business and cross-functional moves, promoting internal talent sharing and removing barriers for internal role mobility.

"When I look back over the best times of my 30-year career with the Company, having and working with the best teams come first to mind. Diversity is so important not only in terms of culture, race, gender but also in terms of diversity of thought. I've learned that different perspectives bring different outcomes and solutions to problems and also create winning teams and winning results. The connection between culture, well-being and general happiness at work directly correlates to how teams and businesses perform and I have found that the best performance comes from happy and diverse teams."

— Christina Andersen, Vice President, Industrial Valves and Gears

Amerigo Giorgetti, Lab Technician, IET

Learning and development

Our mission is to enable each employee to be the architect of their own continuous learning and development journey. Learning is an ongoing process that most often occurs through on-the-job development opportunities, but also by engaging others in social learning experiences (mentoring, coaching, communities of learners) and through in-person and/or virtual-led courses. At Baker Hughes, our employees have access to more than 85,000 on-demand training courses available in our most commonly used Learning Management System that can be accessed anytime, anywhere. Our employees spent on average 22 hours on training in 2023. Prioritizing professional development, furthering job-related skills and enhancing technical knowledge enables us to develop at the scale and speed needed to remain a leading energy technology company.

We offer our employees a unique opportunity to learn through our award-winning social learning communities: CORE Values, CORE Strengths and JOURNEY. These learning frameworks offer collaborative, self-directed learning experiences for any employee eager to develop critical skills and leadership behaviors. Since launch, over 5,800+ members in 77 countries have benefited from these opportunities, investing ~21,000 hours towards learning through these voluntary learning communities in 2023.

Our formal leadership development programs (see figure 3-5) play a pivotal role in providing valuable educational experiences and allow us to build a skilled, diverse talent pipeline within our organization. We have four programs each with a format designed specifically to help participants take their careers and abilities to the next level. Continuing this focus in 2023, we evaluated each of the programs and made decisions that allow for a greater overall learning experience.

In 2023, we saw these programs impacted as a result of these changes in the following ways:

- **We are in the process of transitioning the ASPIRE program oversight to business segment teams. This change will give participants more in-depth business experience, guidance and connections with direct business leaders. While the program was under evaluation, we hired smaller cohorts. The number of participants in ASPIRE decreased by 14.3%.**
- **CULTIVATE remains a program designed specifically to develop the employee population that identify as women. In 2022, we increased program size by 48% but in 2023 we made the strategic decision to go back to the size of cohorts in prior years to ensure the best overall learning experience for the participants. The number of participants in CULTIVATE decreased by 46.6%.**
- **Overall having similar cohort sizes, IMPACT had a slight increase from 32 participants in 2022 to 36 participants in 2023. The number of participants in IMPACT increased by 12.5%.**
- **ASCEND is a rotational pilot program for veterans transitioning to civilian life. The program grew from four to six participants in 2023. This program is intended to be sunsetted in 2024.**

Steve Xiong, Electronic Tech, OFSE

Spotlights on progress

Building leadership capabilities inside our OFSE business

Strategic Outcome: Best-in-class talent management and acquisition best practices

Business Need: People leadership skills are a critical enabler of business success. Investing in the professional development of leadership skills equips people leaders to make better informed decisions.

Impact: Seeing the desire from employees to provide tailored leadership development, the OFSE talent team revitalized a leadership academy to build skills in leadership, financials, strategic thinking, emotional intelligence and project management. In 2023, approximately 1,570 employees received over 45,000 hours of face-to-face training in seven different regions enabling critical skill development.

Investing in a new training facility in Italy

Strategic Outcomes: Best-in-class talent management and acquisition best practices; achieve top quartile inclusion index rating annually

Business Need: We aim to provide a top-tier learning experience that is sustainable, accessible and inclusive to all internal and external stakeholders participating in our learning programs.

Impact: We invested in the latest equipment and tools aligned with our strategic focus on emerging technologies, sustainability and inclusion. Our new training facility is nearly 100% self-sustaining from an energy perspective, leveraging photovoltaic panels, heat pumps and smart lighting systems. Through a "Design for All" approach, we collaborated with four associations representing diverse abilities ensuring an accessible and inclusive campus, implementing gender-neutral restrooms to high-contrast signage and tactile pavements.

The academy will house an All-Inclusive Room designed to provide an immersive DEI experience across multiple dimensions. Our goals with the facility are three-fold:

- **Provide 850+ field service engineers (FSEs) with dedicated career paths, enhancing talent attraction and retention.**
- **Expand technical training to include soft skills, scenario playing and project management preparing our FSEs holistically while facing our customers.**
- **Extend structured paths of technical training to other roles, such as project managers, sales and commercial operations as they serve new energy transition technologies.**

Chris Wilson, Test Technician, OFSE

401

Employees in Leadership Development Programs

257	36	102	6
ASPIRE program	IMPACT program	CULTIVATE program	ASCEND program

ASPIRE Baker Hughes Development Program

IMPACT Baker Hughes Development Program

CULTIVATE Baker Hughes Development Program

ASCEND Baker Hughes Military Leadership Program

Early career

ASPIRE is our early career development program, focused on accelerating the careers of recent graduates and entry level professionals over a two-year period, including three rotations. The program has a global footprint with various functional tracks.

Nominated employees

IMPACT is a two to three year rotational program for top-performing, mid-career employees. Participants accelerate both business depth and leadership competencies through global cross-functional assignments and tailored learning and coaching.

Female talent

CULTIVATE is a 12-month program dedicated to high potential women designed to foster the development of leadership skills through tailored experiences and senior one-on-one mentorship.

Veterans leadership

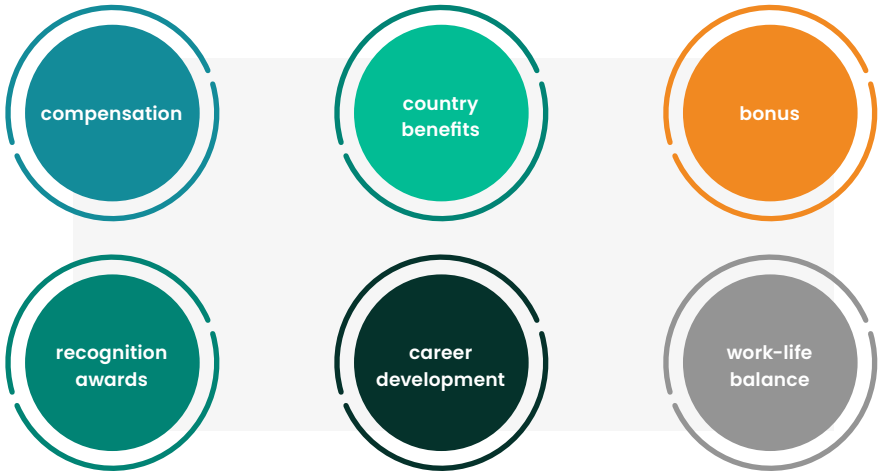
ASCEND is a two-year rotational program for highly qualified junior military officers, who are transitioning from active duty to their first civilian jobs. Program members will complete rotations across select functional tracks and business segments, while receiving tailored learning and coaching.

Figure 3-5: Leadership development programs data

Delivering total rewards for employees

Our goal is to deliver consistency and rigor in our total rewards strategies that are tailored to more than 85 countries where we operate. This requires executing on these programs with excellence by standardizing and maintaining benefits benchmarking required to keep up with both regulatory as well as market conditions. We also ensure that our total rewards strategies complement the talent management approaches to enable retention and incentivize performance and behaviors. This underpins our ability to achieve some of our strategic outcomes.

Total rewards



We invite you to watch one of our sessions from Mental Health Awareness Week 2023.

Keeping Bodies and Minds Safe

Listen to Kasia Curry, Baker Hughes Global Well-Being Leader; Diana Lopez Andrade, Baker Hughes Vice President of HSE and Service Delivery; and Dr. Rodriguez from International SOS discuss how to keep well in this demanding industry.

Competitive compensation and benefits

We believe that fair compensation and benefit programs are crucial to the success of any organization. We offer our employees total rewards packages tailored for each country and regularly conduct detailed wage and benefit analysis to inform the design of our programs globally. We conduct gender, race and ethnicity pay equity reviews as part of our annual processes in the United States and adjust accordingly.

We actively manage and review over 220 Company-sponsored healthcare, life and disability programs globally to ensure that they are competitive and add value to our employees. We have expanded our medical and life insurance benefit offerings, and these core benefits are now available in approximately 70 countries, covering more than 80% of our employees. We also offer, where feasible, additional flexible benefits promoting physical, emotional and financial well-being. Read more about our well-being strategy in the Principles section.

We work to ensure the competitiveness and alignment of our total reward programs in each market through regular and robust benchmarking cycles that are actively managed against market peers. These types of analyses are the bedrock of our approach to data-driven decision making.

Spotlights on progress

Deploying our Global Parental Leave policy of a minimum 18 weeks for primary parent

Strategic Outcomes: Increase women and people of color representation; retention parity of under-represented groups

Business Need: Working across several geographies requires us to take into consideration many aspects of our total reward strategies. Not all countries we operate in offer fully paid time off for new parents. Our commitment to offering inclusive time off policies led us to the decision to establish a global parental leave policy paid at full base pay regardless of gender identity in 2022.

Impact: We approved a minimum parental leave of 18 weeks for a primary parent and two weeks for a secondary parent at full base pay in all countries where we have employees in 2022. In 2023 we began the phased implementation of our Global Parental Leave policy and the systems to enable those policies. As of the end of 2023, we had completed implementation in 42 countries, providing new coverage to more than 50% of employees. These expanded global coverage and leave benefits improved protections and ease of utilization for our employees at a pivotal moment in their lives.

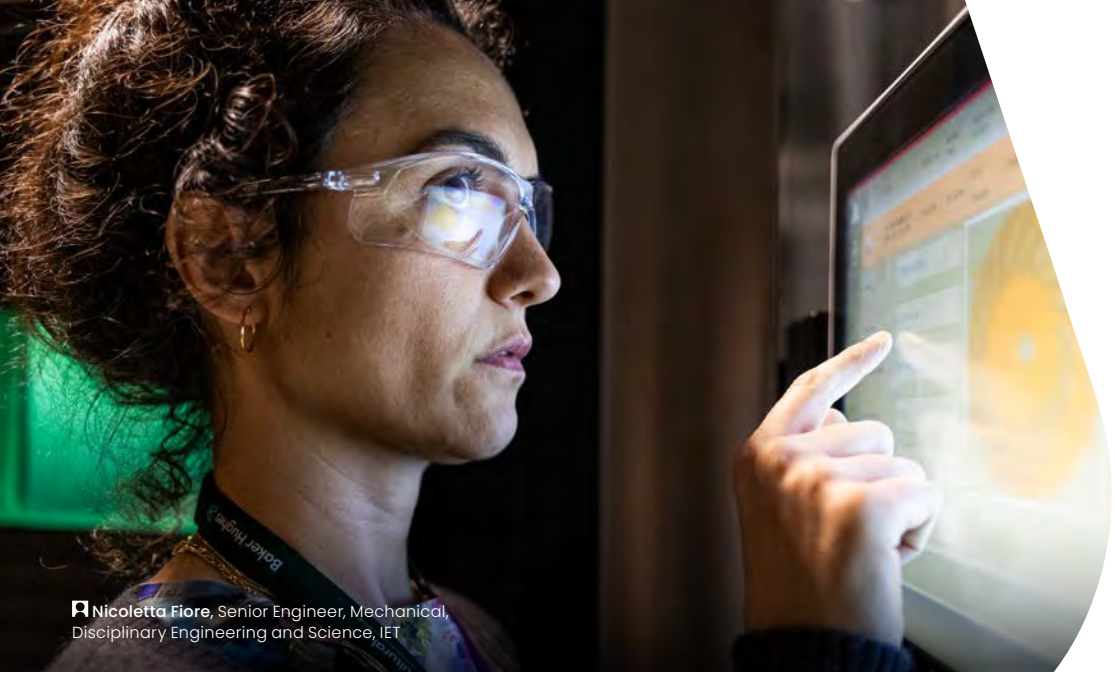
Supporting UN SDGs:

In support of UN SDG target 3.1: By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births. Our Global Parental Leave Policy has expanded parental leave coverage paid at full base pay in all countries where we have employees, promoting employees to take time off while being compensated.

In support of UN SDG target 5.c: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels. Our Global Parental Leave Policy grants a minimum of 18 weeks of parental leave for the primary parent regardless of gender identity. By removing gender identity as the determining factor of parental leave, we are enabling a more gender equitable process.

Career transitions

Jobs must sometimes change or be reduced to meet the needs of our customers, shareholders and our dynamic business environment. In the unavoidable event of involuntary workforce reductions, we comply with local laws and requirements regarding notice periods, engagement with works councils and other processes. We provide severance payments that meet or exceed local requirements and offer outplacement assistance and services in many locations. We employ forward-looking strategic workforce planning to anticipate workforce changes and attempt to redeploy or retrain employees where possible.



Nicoletta Fiore, Senior Engineer, Mechanical, Disciplinary Engineering and Science, IET

Prioritizing time to focus on mental well-being, Mental Health Awareness Week

Strategic Outcome: Retention parity of under-represented groups

Business Need: To raise awareness of mental health issues globally, we held a week of global events with leading experts so that employees can take action to prioritize mental well-being.

Impact: In observance of World Mental Health Day, Baker Hughes employees globally participated in events with internal colleagues and external experts in support of the theme 'Mental health is a universal human right' to encourage conversations on mental well-being both in the workplace and at home. The week included relevant topics and resources, including battling burnout and creating a resilient mindset, as well as hearing from other employees on their stories in overcoming challenges. The week was also an opportunity to highlight the impact mental strength has on workplace safety, with sessions such as 'Time 2 Refocus' discussing the importance and techniques for situational awareness. The connection to safety and well-being is the start of the collaborative project between HR and HSE addressing psychosocial risk (ISO 45003).

Connecting employees to benefits information online

Strategic Outcome: Best-in-class talent management and acquisition practices

Business Need: We needed to provide our employees with readily available access to a centralized platform for streamlined benefits transactions and that ensures transparency, clarity and a user-friendly experience.

Impact: We implemented our digital benefits platform for an additional 4,800 employees across seven countries (Hungary, Malaysia, UAE, Oman, Qatar, Kuwait and Bahrain). This was an expansion on our existing solutions in United States, Canada and the United Kingdom. As a result, approximately 40% of our employees globally now have digitally-enabled benefits communication and delivery making it easier to access their benefits information on demand.

Global benefit offerings:

- **Healthcare plans and life insurance are a core benefit and are provided in most locations globally.**
- **Our Employee Assistance Program (EAP) provides impartial professional advice for complex life situations globally.**
- **Fitness reimbursement program to support health and wellness at most of our locations.**
- **Various leave-of-absence options help employees achieve higher quality-of-life needs, including paid global parental leave regardless of gender, family care and vacation.**
- **Personal Illness and Personal Business Leave for non-exempt and Permissive Leave for exempt employees in United States.**
- **For new mothers in the United States, we provide onsite mother's rooms at many sites.**
- **We encourage employees to explore ways to better balance work and personal life through arrangements such as flexible schedules, compressed work weeks, hybrid work, remote work and other options.**
- **Employee stock programs and retirement saving plans are available in most locations globally.**
- **Financial assistance to employees pursuing formal education is available through the Tuition Reimbursement Program.**
- **Financial support is available for employees in the United States who adopt a child.**

Committing to progress on DEI

Our steadfast commitment to DEI is not merely part of an effective strategy—it is fundamentally critical to our success.

We are confident that the diversity of our people and an unyielding focus on an inclusive culture position us well to continue to drive innovation, operational effectiveness and strong financial performance as we move through the energy transition. In this section, you will read about the progress we have made.

Equipping employees to live and lead inclusively

At Baker Hughes, we value DEI as a cornerstone of our success. Every day, we strive to create an inclusive workplace that celebrates the uniqueness of everyone. Progress against our DEI strategic goals continues to evolve and we recognize that effort is needed to ingrain DEI as part of our cultural transformation.

Our inclusion index, established in 2022, scored 70.0% in 2023. This index measures how well employees feel valued, their sense of belonging, the extent they feel they can be themselves and how well they feel they are treated. Our culture index, established in 2023, received a score of 66.0%. This measures to what extent employees feel they can take risks without the fear of negative consequences, how comfortable they are with our organization's culture, how well their supervisor helps them to adapt to change and to what degree they are encouraged to share innovative and creative ideas. As we continue to transform for growth, we are evaluating the frequency of these indices to ensure we remain focused on the correct actions.

YOY data at a glance:

15.5% workforce participates in an employee resource group (ERG), a **12.2%** increase YOY (8,099 members to 9,085 members)

*Diverse supplier and small business spend of **$410 million** (Tier 1 and Tier 2 combined)

- **$379 million** in Tier 1 spend
- **$31 million** in Tier 2 spend

How we define diversity, equity, inclusion and culture:

Diversity

The unique attributes we bring as individuals

Equity

Ensuring fair treatment and access to opportunity to maximize an individual's potential

Inclusion

How we value difference, respect and interact with each other

Culture

The set of shared attitudes, values, goals and practices that characterizes an institution or organization

*We track many other metrics in connection with the objective of progressing DEI that can be reviewed in the Performance Index.

We implemented strategic initiatives throughout 2023 that will set us up for steady progress, including:

- **Further developing our Inclusive Leadership model (established in 2022), an Inclusive Leadership learning track was introduced in 2023. Participants earn completion badges for engaging in sessions for Inclusive Leadership, Cultural Intelligence and Unconscious Bias, as well as delivering on what they have learned. Read more in our spotlights on progress.**
- **Launched the Canada Indigenous knowledge center and supplier diversity knowledge center, expanding employees' access to readily available information.**
- **Hosted sessions to enhance awareness, promote support for transgender and non-binary persons within the workplace and ensure equality for all individuals, regardless of gender identity.**
- **Launched a Culture and Inclusion Council comprised of enterprise leaders to ensure our organization lives our values, models behaviors consistently and drives progress on cultivating a 'culture of performance' and a 'culture of inclusion.'**

Spotlight on progress

Developing the skills to lead inclusively

Strategic Outcome: Achieve top quartile inclusion index rating annually

Business Need: Giving employees the skills to lead inclusively requires continuous, active learning at all levels of the organization.

Impact: In partnership with our Learning and Development team, the DEI team launched three new courses on Leading Inclusively, Cultural Intelligence and Unconscious Bias. They conducted 32 sessions globally to equip employees with the tools that are essential for an inclusive culture. Inclusive leadership shapes the employee experience and workplace culture, creates spaces where employees can bring their authentic selves to work, encourages voicing opinions, invites different perspectives and supports well-being.

Supporting UN SDG:

In support of UN SDG target 10.3: Ensure equal opportunity and reduce inequalities of outcome by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action. In this regard, we are actively building an inclusive culture through our Inclusive Leadership framework. All employees globally are able to take the three new courses launched in 2023 to build the tools necessary for an inclusive culture.

Luis Vargas, Shop Operator, IET

"It was fantastic to see so many of our employees getting involved and supporting the events. As a team, we are committed to supporting DEI, and we look forward to building on this week, sharing more of our employees' stories, celebrating our successes and continuing to drive an inclusive culture in our region."

— Abdou Beloucif, OFSE ENSC
Vice President on the ENSC event

Watch this ENSC DEI Week Video

Bringing DEI to the forefront with a dedicated week of events

Strategic Outcome: Achieve top quartile inclusion index rating annually

Business Need: Spending dedicated time to focus on DEI priorities gives employees the opportunity to drive an inclusive culture.

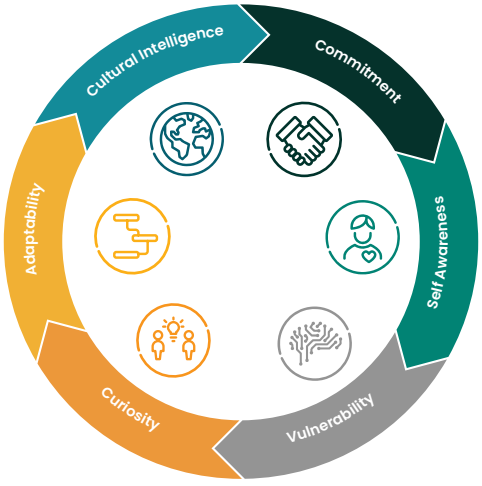
Impact: Employees in the Europe, North Sea and Caspian (ENSC) region highlighted our efforts as part of a dedicated DEI week. A series of virtual and in-person events were organized by volunteers throughout the region, including: 1) a customer panel session featuring representatives from Equinor, TotalEnergies and Shell discussing how they are driving DEI in their own organizations; 2) In-region ERGs hosted several sessions focused on prominent issues including inclusive leadership, supplier diversity and mental health; and 3) People leader training on supporting new parents returning to the workplace from The Parenting Tribe employee group. With over 900 virtual attendees participating in the opening event, the week promoted the region's initiatives, providing information on how to volunteer and creating thought-provoking conversations about the many aspects of DEI.

Introducing The Parenting Tribe, a new employee group

Strategic Outcome: Achieve top quartile inclusion index rating annually

Business Need: Working parents face unique situations while trying to navigate work-life balance, mental well-being and other challenges. Employee communities bring together colleagues to share information, ideas and experiences while providing a sense of connection and community.

Impact: In 2023, we launched The Parenting Tribe, a community of working parents who want to support each other. The group hosts monthly sessions, allowing members to engage on parent-related topics and share local resources. The mission of The Parenting Tribe is to ensure no parent feels alone as they navigate work-life balance within Baker Hughes. These employee groups further our commitment to an inclusive workplace and ensure all employees have a community. Read a story on the impact of The Parenting Tribe below.



How employee groups make a difference, The Parenting Tribe Story

How did it come about?

The Parenting Tribe was created by relatively new parents at the time, each of whom experienced their own challenges in returning to work after parental leave. Rhea Young, a Pressure Pumping Regional Manager in Aberdeen, Stephanie Leckie, a Proposals Specialist in Aberdeen and Sophie August, a Learning Community Leader in Norway, supported each other during and after this transition period. Through sharing experiences and resources, it became clear that peer-to-peer support for working parents is a key success factor in balancing work and family life.

In June 2023, they created The Parenting Tribe community to offer other new parents the same support and sense of community. Since the launch, The Parenting Tribe has grown into a global safe space for people to share, connect and support each other's well-being.

Hearing from a member

"The Parenting Tribe is our psychologically safe place to share, interact and learn alongside fellow Baker Hughes employees. Here, we celebrate our diversity and create a space for fellow parents to be heard. As parents, we feel we all have our 'unique' challenges until we share them with others and realize that many of our colleagues probably have — or are going through — similar challenges. In this group, I have the opportunity to share my experiences, my struggles, my successes and my learnings as a parent of a child of determination (special needs), knowing that my colleagues are listening to me with compassion and hope."

— **Abdul Mujeer Shaikh**, Senior Business Development Manager, United Arab Emirates

Rhea Young

Stephanie Leckie

Sophie August

Celebrating our employee groups and their impact

At Baker Hughes, we believe all employees should feel valued, involved and respected for the viewpoints, ideas, perspectives and experiences they bring. While traditional ERGs remain a foundational aspect of our inclusion and engagement efforts, we identified an opportunity to complement our ERGs with less formal community of interest (COI) groups to further the opportunity to provide community, connection and a safe space for employees.

Our eight ERGs have a formal leadership structure and offer many opportunities for professional growth and development throughout the year. In 2023, total ERG membership increased by 12.2% from the prior year with 9,085 employees participating at least one group. This represents 15.5% of our workforce participating in an ERG. This increased membership is related to a strong awareness campaign and membership drive in 2023.

In addition, our COIs are formed by employees to share information and best practices on a topic. We currently have five COIs that enable employees to collaborate with like-minded colleagues through more informal engagement, furthering our goals of inclusion and community.

Figure 3-7: Employee resource groups

Figure 3-8: Employee communities of interest

Top L to R: Elvira Giubbolini, Angelo Donato, Amalia Pagliuca, Bottom L to R: Giulia Contran, Matilde Acheo, Manuela Tonti, Engineering and Technology - Materials and Processes Engineering, IET

Progressing our diverse supplier program

Baker Hughes has identified supplier diversity as a strategic objective in our DEI strategic framework, as well as the tracking of our diverse supplier spend as one of our sustainability strategic outcomes. The primary objective is to support and build strong partnerships with a diverse array of local and global suppliers that share our values. We believe that having an effective supplier diversity program provides a competitive advantage by allowing us to attract and retain key supplier and client relationships.

Throughout 2023, we prioritized data reliability by reviewing and ensuring that all suppliers had the appropriate verification and support to substantiate their status as a diverse supplier. Through increased governance, process improvements and a newly-established semi-annual review process, we are able to ensure consistent data management and provide accurate, reliable tracking of our suppliers' diversity status.

"I'm proud of Baker Hughes for prioritizing supplier diversity and continuously seeking to conduct business with minority-owned businesses."

— Lynn Buckley, Supplier Diversity and Business Development Sourcing leader

L to R: **Aaronica Patterson,** Lead Engineer Chemicals, OFSE | **Marissa Dickerson,** Product Performance Engineer, OFSE

"As a woman and minority-owned sales tax advisory practice, our partnership with Baker Hughes and the support we've received highlights the importance of having dedicated advocates within corporate structures who champion diverse firms and actively create environments conducive to the success of small businesses, creating a ripple effect that positively impacts the entire business ecosystem."

— Chanel Christoff Davis, Founder and CEO, Davis Davis & Harmon LLC

Spotlights on progress

Investing approximately $50 million in Unity Bank, Texas' sole Black-owned banking institution

Strategic Outcome: Track spend with diverse suppliers

Business Need: We aim to enable diverse suppliers through purchases and community support.

Impact: In 2023, Baker Hughes announced an approximately $50 million investment in support of Minority Depository Institutions to help promote the growth of Black-, Hispanic- and Latino-owned small businesses. With our corporate headquarters in Houston, Texas, we are proud to support Unity National Bank of Houston, the only Black-owned banking institution in Texas as part of our commitment to increase supplier diversity and create lasting and sustainable change. This investment will enable Unity Bank to increase its offerings and drive meaningful impact within the communities it serves. Read more here.

L to R: Deon Harmon | Chanel Christoff Davis | Terrell Davis | Davis Davis & Harmon LLC - Sales Tax Experts

"As a global energy technology company, we recognize that partnering with diverse suppliers is one of the ways we can support the local communities where we live and work. We believe that supporting diverse teams and suppliers gives us a competitive edge and allows us to provide differentiated solutions to energy and industrial customers worldwide. Baker Hughes' Supplier Diversity program is fully endorsed and supported by our executive leadership team."

— Lorenzo Simonelli, Chairman and CEO

Grants to support supplier diversity around the world

Strategic Outcomes: Track spend with diverse suppliers; track spend to support global communities

Business Need: We are committed to becoming an industry leader with a diverse and inclusive supply chain that creates value for our customers and is reflective of the communities in which we operate. Ensuring a diverse supply chain results in more resilient communities and stronger business solutions.

Impact: In partnership with the Baker Hughes Foundation, we announced two grants focused on supplier diversity: a $75,000 grant to Houston Minority Supplier Development Council (HMSDC) and a $100,000 grant to WEConnect International. The HMSCD grant will support the implementation of a training program to help entrepreneurs in the Houston area build the skills necessary to grow their business so companies like Baker Hughes are aware of them and use them as suppliers. WEConnect International is a global network that connects women-owned businesses to companies like Baker Hughes and other qualified buyers around the world. The grant will help them expand their reach and grow their network of women-owned businesses.

Expanding our Supplier Diversity Champions base

Strategic Outcome: Track spend with diverse suppliers

Business Need: We promote and encourage the utilization of qualified diverse suppliers and small businesses. This increases competition in the supplier base and ultimately enables innovation and competitive advantage.

Impact: Our Supplier Diversity Program hosted three Supplier Diversity Days to spread awareness, engage with employees and educate them on the steps we have embedded within our supply chain process to identify the use of diverse suppliers and small businesses. This knowledge empowers employees to be champions for our Supplier Diversity Program and promote utilization of these suppliers. These champions often participate at supplier diversity events that enable us to further expand our diverse supplier partners, act as key information partners and promote our culture of inclusion.

Engaging with communities in which we live and work

We believe in contributing to the communities where we live and work by sharing our time, talent and resources.

We are connecting globally and locally in new ways to drive scale and speed on solutions to humanity's biggest challenges. We give back through a variety of ways, including the Baker Hughes Foundation grants, corporate in-kind contributions and our culture of volunteerism. In 2023, we more closely engaged our employees to identify the causes and organizations important to them. Our employees spent more time volunteering in their communities, including direct leadership engagement across multiple geographies. In this section, you will read about the progress we have made.

YOY data at a glance:

*Total community contributions of **$64 million** dollars

Increase of **43.7%** in volunteer hours (27,181 hours to 39,064 hours)

*Refer to Table 3-1 on page 55 for a more detailed breakdown of community contributions.

L to R: **Mulu Woldeyohannes Hailu**, Engineering Manager Shop Operator, OFSE | **Gerald Otoide**, Lead Engineer, OFSE | **Himali Devani**, Lead Engineer, OFSE

Supporting causes and nonprofit organizations through Baker Hughes Foundation

One part of our community strategy is to give not just our time, but also infuse communities with monetary contributions when and where needed. For over 25 years, the Baker Hughes Foundation has been focused on meaningful community impact through giving grants to registered charities, matching employee contributions and awarding outstanding employee community service.

In 2023, we established a grant sounding board to help review the charitable organizations that will receive the strategic grants. The sounding board is an additional strategic step which adds to the already-sound process of the Board of Trustees review procedures. This board is comprised of five senior executives within the Company. By having this robust and multi-leveled approach, we are able to ensure a repeatable process for reviewing and approving grants. Throughout the year, $2.4 million was pledged and contributed in strategic grants through the Baker Hughes Foundation in order to advance the Foundation's focus areas of 1) Environmental quality and progress; 2) DEI, education and opportunity and 3) Health, safety, wellness and disaster relief around the world.

Overall, program communications raised awareness and drove the YourCause platform adoption, resulting in increased employee-matched financial contributions made by the Foundation as well as increased direct strategic grants in 2023. Our overall total charitable contributions decreased 15% from 2022 due to a decrease of in-kind contributions. This is anticipated to continue as we shift our strategic focus on the direct impact we can make to our communities through our Baker Hughes Foundation grants and employee volunteerism.

Table 3-1: Year-over-Year Community Contributions

	2021	2022	2023
Employee-matched contributions made by the Baker Hughes Foundation	$ 669,215	756,121	855,067
Baker Hughes Foundation financial contributions	$ 2,578,208	1,992,500	2,427,500
Company in-kind contributions	$ 41,967,750	72,524,166	60,411,843
Total charitable pledges and contributions	**$ 45,215,173**	**75,272,787**	**63,694,410**

L to R: Kristi Franks, Materials Planner, OFSE | **Paul Stinson,** Materials Planner, OFSE | **Dustin Abel,** Production Manager, OFSE

Spotlights on progress

We've funded one million trees to be planted in support of global reforestation

Strategic Outcome: Invest to support global communities

Business Need: We partner with non-profits to advance environmental quality outcomes, such as supporting global reforestation and promoting biodiversity efforts globally.

Impact: By issuing our third grant to One Tree Planted, it enabled the non-profit organization to achieve a total of 1 million trees planted across 17 countries from the Foundation's contributions. In 2021, the grant helped plant 268,000 trees; in 2022, 350,000 trees were planted. The 2023 award will promote global reforestation efforts, in the amount of 382,000 trees, in several areas where Baker Hughes conducts business: the Andes region of South America, British Columbia in Canada, China, France, Germany, Scotland, Texas in United States and Italy. Read more here.

Supporting UN SDGs:

In support of UN SDG target 15.2: By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally. The Baker Hughes Foundation donated three grants from 2021-2023 which helped One Tree Planted in global reforestation efforts.

Donations to employee-nominated charities

Strategic Outcome: Invest to support global communities

Business Need: We engage employees to help identify the causes most impactful to their local communities.

Impact: The Baker Hughes Foundation teamed up with our eight ERGs again to identify which nonprofit organizations (NPOs) would be the recipients of $750,000. While this is the third-consecutive year the ERGs have nominated NPOs, this year represents a ~275% increase in the amount that was given to nominated charities. ERGs have built strong partnerships with many nonprofits across the globe to drive social change for some of the world's toughest challenges. Collectively, these grants will support an array of causes in North America, Europe, Asia-Pacific, Middle East, United Kingdom and sub-Saharan Africa. ERGs are one of the many ways we are able to cultivate an inclusive culture and address the diverse needs within communities. Read more here.

Supporting global communities through volunteerism

When our employees volunteer their time and energy in their communities, they are putting 'Care' — one of our core values — into action. In 2023, we focused on expanding and establishing volunteering networks globally. These volunteer networks leverage champions to establish a regular cadence for connecting employees with volunteering opportunities in the local area. As a result, volunteer hours were 43.7% higher year over year.

The Baker Hughes Foundation enables employees to amplify their impact to communities through the Baker Hughes matching gift and volunteer grant policy. This means employees are eligible for volunteer grants up to $500 annually and eligible charities will be matched dollar-for-dollar up to $5,000 per year per employee, following all policy guidelines. In 2023, we worked to integrate our Matching Gift and Volunteer Grant policy in preboarding tools for prospective grant candidates with a plan to integrate into each country-level benefits websites over the next three years to help spread awareness and maximize utilization of this benefit and a culture of volunteerism.

Spotlights of volunteerism:

Volunteers fundraise and donate 100 desks and chairs for schools in Bonny Island, Nigeria

Strategic Outcome: YOY increase in employee volunteer hours

Community Need: During an outreach visit, a Baker Hughes team observed that pupils were sitting on the bare floor to learn in their classroom. Given the importance of conducive learning environments on good education and our belief to support communities, we took action.

Impact: The employee team organized a charity golf tournament with over 50 golfers from the Bonny Island neighborhood. Proceeds were used to purchase 100 classroom desks and chairs for two community elementary schools in Bonny Island, Nigeria. Exemplifying care, we also prioritize the health and well-being of our people in the communities where we live and operate.

Supporting UN SDGs:

In support of UN SDG target 4.a: Build and upgrade education facilities that are child, disability and gender-sensitive and provide safe, non-violent, inclusive and effective learning environments for all. The volunteers used funds raised to help upgrade the learning environment for the children at two local elementary schools in Bonny Island, Nigeria.

Employees donated 320 million steps and raised 120,000 RMB in Beijing, China

Strategic Outcome: YOY increase in employee volunteer hours

Community Need: Baker Hughes China's commitment to corporate citizenship shines through in our 2023 volunteer campaign. Five impactful volunteer events took place in 2023, with a special emphasis on our collaboration with Beijing Daxing Hope School.

Impact: One of the five events took place on World Earth Day, where Baker Hughes China launched the second "Walk for Love" online walk donation campaign, rallying employees to contribute steps towards building new toilets for the Beijing Daxing Hope School. The school serves migrant children in Beijing. In 66 days, 907 employees from 17 teams spanning locations from China and Malaysia donated 320 million steps, covering 200,000 kilometers and successfully raising 120,000 RMB (~$17,000 USD). The team recorded 6,200 volunteer hours, the highest number of hours logged globally for one campaign.

In just 66 days, **907 employees** from 17 teams, spanning locations from China and Malaysia, covering 200,000 kilometers, donated **320 million** steps, successfully raising 120,000 RMB, which is almost **$17,000**.

Turning plastic waste into funding for cancer patients in Ciudad del Carmen, Mexico

Strategic Outcome: YOY increase in employee volunteer hours

Community Need: Local employees organized a local beach cleanup, where volunteers prevented debris from reaching oceans and aquatic ecosystems.

Impact: The volunteering activity was part of an initiative organized by our Talent Acquisition team with 59 students from local universities. An additional 22 Baker Hughes interns volunteered for this initiative, mobilizing a total of 78 people for this cleanup. They collected 32 kilos of waste from a local beach and separated the plastic to be donated to a local organization, Fundación AYABS, which will sell the plastics and then donate the proceeds to their Cancer Patients Fund. This event not only helped clean up a local beach but transformed the waste into support for childhood cancer research.

Map of volunteerism events that show impact

Employees have donated hundreds of hours, facilitating 45,960 meals to the local community through the Houston Food Bank.

Volunteers cleaned up a garden area used to meet sensory needs and provide a supportive learning environment for children at The Ravenswood School in Nailsea, UK who have been determined to have complex and severe learning difficulties resulting in unique needs.

Baker Hughes China's 2023 "Act for A Better Future" volunteer campaign marked a tremendous success, securing two awards. With a focus on supporting migrant rural and urban children by online teaching, campus construction and material donations. Notably, almost half of our Baker Hughes China workforce — nearly 950 individuals — participated in these events.

Volunteers cleaned up a local beach and separated the plastic to be donated to a local organization, Fundación AYABS, which sells the plastic and donates the funds to support children being treated for cancer.

28 volunteers helped reforestation efforts in Florence, Italy by planting 125 trees across 11 species in partnership with Soul food Forestforms, an environmental non-profit focused on reforestation.

Teams organized a charity golf tournament with over 50 golfers from the Bonny Island neighborhood. Proceeds were used to purchase 100 classroom desks and chairs for two community elementary schools in Bonny Island, Nigeria.

Baker Hughes employees, including CEO Lorenzo Simonelli, came together during COP28 to spend time with special needs children and give back to the community through Senses Center, a local non-profit in Dubai dedicated to improving the lives of people and catering to special needs, orphaned and abandoned children.

Figure 3-9: Map illustration of some global volunteer events in 2023

Embedding sustainability as everyone's responsibility

Driving change towards sustainable energy development requires a sustainability mindset across all employees. Through specific efforts geared at embedding habits of sustainability across our businesses and functions, our people help us take energy forward, delivering our strategy — for people and the planet. In this section, you will read about the progress we have made.

Sustainability is not new at Baker Hughes, as we have published a corporate responsibility report since 2018. With the external publication of our sustainability strategy in May 2023, we focused on deepening the understanding of our sustainability goals across our employee base. Through the implementation of a company-wide engagement plan, we have focused on a streamlined and consistent approach to talking about our sustainability strategy.

In order to make progress on this strategic objective, we set out three main goals when creating and implementing the engagement plan:

01 **Embedding sustainability as part of the core activities all employees prioritize day-to-day, along with HSE, quality, ethics and diversity and inclusion**

02 **Increasing awareness of our sustainability strategy goals and how we are approaching implementation**

03 **Strengthening the value proposition of our sustainability strategy for Baker Hughes and our key stakeholders**

Data at a glance:

1,114 members
in Renew community of interest group as of December 2023

1,252 trainings
completed of new sustainability modules launched

Bill Izekor Nosa, Shop Operator, IET

Spotlights on progress

Growing sustainability skills with three new sustainability training modules

Strategic Outcome: Company-wide plan aimed at driving habits of sustainability

Business Need: The launch of the strategy in May 2023 combined with a growing request for training brought to light the need to build basic capabilities on sustainability topics for all employees.

Impact: In a phased approach throughout 2023, the Sustainability team launched three new trainings to equip all employees with the knowledge and skills needed to grow their understanding in sustainability. These quick, high-level modules are a self-guided and self-paced training that can be completed in no particular order. At the end of 2023, ~1,252 employees had already completed at least one of the three modules showing the commitment to developing sustainability capabilities of our employees.

Launched CORE Strengths Sustainability learning path

Strategic Outcome: Company-wide plan aimed at driving habits of sustainability

Business Need: Learning requires continuous effort and engagement. To fully embed sustainability, we needed a learning path to enable true development.

Impact: In October 2023, we launched the Sustainability learning path to give employees access to additional curated content to develop their sustainability capabilities. This learning path is based on a three-prong approach of employees learning, engaging and applying their knowledge through an activity of their choosing, such as leading a team discussion or delivering a project. When an employee successfully completes the learning path requirements, they are awarded a virtual badge that can be shared externally on LinkedIn in recognition of their effort. This learning path content is continuously being refreshed and allows employees an opportunity for specially curated online learning sessions on sustainability, deep dives with sustainability experts on topics, discussion with peers and to apply what they learn.

Engaging employees through speaker series sustainability topics

Strategic Outcome: Company-wide plan aimed at driving habits of sustainability

Business Need: We utilize our existing stakeholder partnerships to bring relevant insights directly to employees. By doing so, employees can identify ways to make an impact in their roles.

Impact: The Let's Talk Sustainability speaker series provides insights and enhances knowledge sharing by presenting a diverse offering of content from internal and external subject matter experts. Of the four sessions hosted in 2023, three were with external speakers and had employees from all over the world joining these sessions. Our customers, partners and other stakeholders covered key topics affecting Baker Hughes including Just Transition, carbon border adjustment mechanisms and more. The series presents an opportunity for employees to engage with global thought leaders and gain valuable insights into current sustainability topics, issues and trends shaping the future of energy.

The role of people in driving change

Leaning into our employee's innovation mindset has been key to energizing and reaching our teams. Empowering employees to identify the opportunities to embed sustainability where and how it fits into their team provides ownership and accountability. Our Carbon Out program, for instance, aims to educate and empower every employee to have an active role in our emission reduction efforts. Our ability to engage our people underscores the value of teamwork and diverse perspectives, while also providing an opportunity for professional development.

Collaborating with talented colleagues accelerates our ability to deliver on our sustainability commitments. The Renew COI group is dedicated to fostering a global community within Baker Hughes where employees collaboratively share insights, ideas and actions that promote sustainable working and living. Over the last year, Renew has grown its membership to 1,114 global members through membership drives and more active employee volunteering leadership engagement.

Spotlights on progress

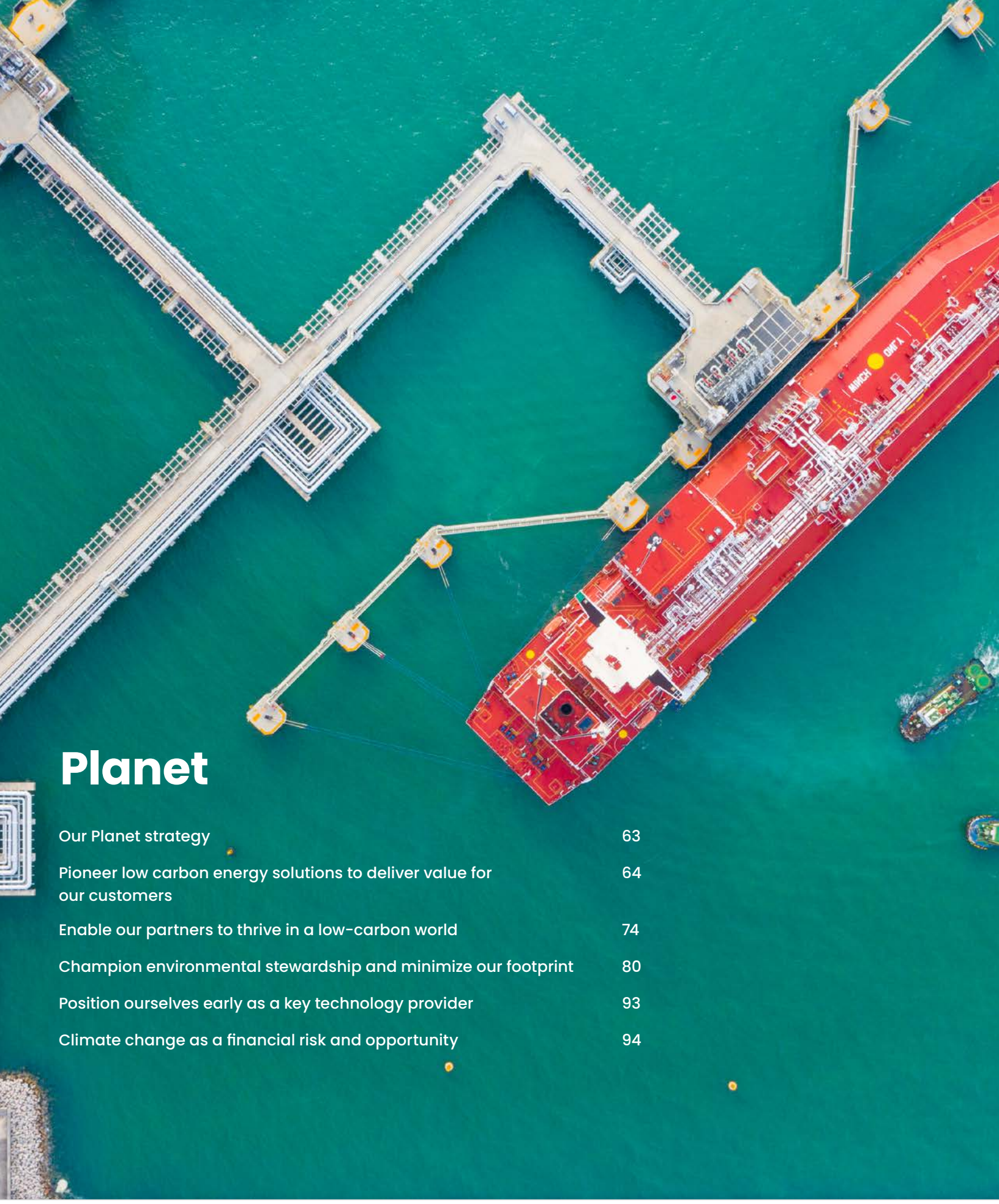
Leveraging the Renew COI to accelerate change, 2023 Earth Day Challenge

Strategic Outcome: Company-wide plan aimed at driving habits of sustainability

Business Need: Our annual Earth Day Challenge demonstrates how we can collectively have a large impact on the planet, no matter how small our individual or team's actions are.

Impact: With over 80+ submitted Earth Day events, more than 1,000+ employees from around the globe came together to celebrate Earth Day throughout the month of April showing how Baker Hughes employees and teams are being sustainable. The 2023 annual event proved to be the biggest one yet, bringing together participation from all eight ERGs. In recognition of their commitment to operating sustainably and for exemplifying our Company values, employees were awarded volunteer recognition grants by the Baker Hughes Foundation, which they can use to donate to an eligible charity of their choice.

Isabela Vieira, ASPIRE Associate - Finance, IET



Planet

What's new in 2023

In the following sections, you will read about actions we've taken to advance our Planet strategy as well as some of the impactful initiatives to show our progress. Some headlines, which will be covered in more detail, include:

Our scope 1 and 2 GHG emissions decreased 28.3% from our 2019 base year.

Scope 1 and 2 emissions intensity decreased by 33.0% compared to the 2019 base year.

We continued to advance automation of emissions data and strong internal controllership of all Planet data.

We expanded the breadth and depth of our Carbon Out program to include scope 3 emissions.

We drove the adoption of our proprietary *Fast*LCA tool while completing 313 LCAs, a 627.9% increase YOY.

Total hazardous waste volume was reduced 27.1% from our 2022 base year.

Significant spills decreased by 35.3% and chemical spills also decreased by 70.9% compared to 2022.

Our Planet strategy

Baker Hughes is passionate about driving emissions reductions consistent with the 1.5°C temperature goal of the Paris Agreement, reaching net zero operational emissions by 2050.

As we navigate towards more sustainable operations for Baker Hughes and our customers, our Planet strategy framework allows us to track our impact — guiding, measuring and driving our progress. The framework consists of two environmentally-focused goals and four supporting objectives.

Goals *what we aim to deliver*	**Objectives** *how we will deliver success*	**Strategic Outcomes** *how we will track progress*
Pioneer low carbon energy solutions to deliver value for our customers	Become a **net-zero** business by 2050	• Reduce scope 1 and 2 greenhouse gas emissions by 50% by 2030 • Reduce scope 3 emissions by 2033 • Complete LCA for the >95% emissions intensive products by 2026
	Enable our partners to **thrive in a low carbon world**	• Baker Hughes positioned early and recognized as key technology provider • YOY increase in research and development funded by external sources
Champion environment stewardship and minimize our footprint	Minimize the **resources** we use	• Reduce waste to landfill by 25% by 2030 • Reduce spills at our sites
	Reduce **spills** and report them transparently	• Reduce usage in water stressed sites by 20% by 2030 • Assess 100% of sites for biodiversity risk by 2030 and implement risk management programs for high-risk sites

Figure 4-1: Sustainability Planet strategy

Pioneer low carbon energy solutions to deliver value for our customers

We are committed to reducing our GHG emissions through our strategic goals:

- **Reduce scope 1 and 2 emissions by 50% by 2030**
- **Achieve net-zero emissions for scope 1 and scope 2 by 2050**
- **Reduce scope 3 emissions by 2033**

As an energy technology company, we strive to reduce our GHG emissions in all of our operations. This will be achieved through increased energy efficiency and adoption of renewable electricity across our global facility footprint. Our aim is to achieve net-zero scope 1 and 2 emissions by 2050, with an interim goal of reducing emissions by 50% by 2030. We remain committed to reduce our customers' operational emissions, which is why we are working to deliver innovation solutions to lower our scope 3 emissions. This showcases our commitment to sustainable operations and leadership in reducing global emissions.

Data at a glance compared to our 2019 base year:

Our overall scope 1 and 2 emissions decreased by **28.3%**

Scope 1 fleet emissions decreased by **34.4%**

Scope 1 facilities emissions decreased by **34.2%**

Scope 1 field emissions decreased by **7.3%**

Scope 2 emissions decreased by **36.0%**

Niccolo Puliti, ASPIRE Associate - Gas Technology Services, IET

Our sustainability strategy was developed to operationalize sustainability to drive our emissions reduction to net zero.

By working collaboratively with employees across our business, we created a scope 1 and 2 roadmap (in 2021) aimed at driving direct and indirect emissions out of our operations. To deliver on Baker Hughes' net-zero commitment emissions reductions roadmaps have been developed.

These nine building blocks define an enterprise-wide view, intended as a forward-looking framework that continues to guide our net-zero transformation journey.

01 Ambition Science-based targets aligned to achieving global net zero by no later than 2050 and limiting warming to 1.5°C	**02 Governance** Oversight and accountability for net zero integrated in our operations	**03 Corporate strategy** Embedded and aligned net zero into company strategy
04 Enterprise transformation Key operating model consideration in support of transformation	**05 Supply chains** Transformed net-zero supply chain to build a low carbon ecosystem	**06 Innovation** Developed innovation and technologies to deliver net zero
07 Finance Substantial commitment and willingness to finance net-zero transformation	**08 Transparency** Communicating action and providing balanced information on progress against net-zero ambition	**09 Engagement** Enhancing the pace scale of net-zero action through engaging with and influencing stakeholders across ecosystems

Figure 4-2. Building blocks for our emissions reductions roadmaps

We are living our commitment to operate sustainably. Empowered by education and resources to energize change, our people are making energy safer, cleaner and more efficient.

Science-based targets

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

Our scope 3 internal goal is also science-based and aligned to the Paris Agreement. Near-term scope 3 emissions goals and time-bound emissions reductions roadmaps were built by subject matter experts across the value chain, resulting in well-informed and actionable plans. In 2023, these goals were submitted to the Science-Based Targets initiative for validation but were not accepted for verification due to the absence of sector-specific guidance for companies with oil and gas revenue.

The role of Carbon Out in reducing emissions

200+
Project owners leading initiatives

40+
Countries with projects initiated

500+
People engaged in our Carbon Out network

590+
Pipeline projects

Sustainability is at the heart of our corporate strategy and our Company's purpose. We believe that each employee has an opportunity — and a responsibility — to make an impact. Carbon Out is our global employee engagement program and primary execution method for GHG emissions reduction. Empowered by education and resources to energize change, our people are identifying, implementing and executing projects that are actually reducing Baker Hughes' direct and indirect emissions footprint across our operations, including offices, field service sites and manufacturing sites. Through 2023, Carbon Out has primarily focused on projects related to reduction efforts for scope 1 and 2 emissions.

In 2023, for our scope 1 and 2 related Carbon Out efforts, we continued to build momentum by prioritizing Carbon Out projects with the highest emissions reduction potential. High-impact projects included facility consolidations and switching to renewable and zero-carbon energy sources. We continue to grow our pipeline of innovative projects contributing to our emissions reduction efforts.

Our people are at the heart of our progress

Our success relied heavily on continued engagement and unwavering enthusiasm from our entire Carbon Out network. Throughout the year, Carbon Out champions across the organization rallied their sites, regions and businesses to generate ideas for future projects. This included education workshops, dedicated week-long events at sites for project generation and execution and energy treasure hunts — where all employees at various sites are engaged to personally reflect on their surroundings and identify any and all energy saving opportunities observed. Results of these energy treasure hunts included process optimizations, equipment upgrades and efficiency measures that could develop into emissions saving projects. These engagements extended across 40 countries, encompassing more than 500+ employees, demonstrating Carbon Out's global reach and effectiveness in driving sustainability initiatives.

Irene Galli, GTS Training Academy Administrator Specialist, IET

Key scope 1 and 2 Carbon Out projects developed and driven by our employees

Scope 1

- Leak detection
- HVAC upgrades
- Exhaust recovery
- Heat and cooling loss
- Vehicle electrification
- Venting reduction and elimination
- Equipment upgrades and optimization

Scope 2

- Gas to electric upgrade conversions
- LED retrofits and switch timers/ sensors
- E-procedure (paperless operations)
- Mechanical and electrical services
- Renewable energy
- Energy metering
- Battery storage

Scope 1 and 2 GHG emissions

We continued to focus on operational efficiency, facilities energy efficiency, fleet electrification and renewable and nuclear energy in 2023. These key strategic levers served as our guideposts in identifying projects that will drive down our direct and indirect emissions while improving our performance.

Strategic lever	Roadmap focus	GHG Protocol category
Operational efficiency	Reducing emissions from Baker Hughes' manufacturing and field service operations	**Scope 1 -** Direct emissions **Scope 2 -** Purchased electricity
Facility energy efficiency	Reducing emissions from energy use (liquid/gas fuels and electricity) at Baker Hughes' facilities	**Scope 1 -** Facilities **Scope 2 -** Purchased electricity
Renewable energy	Increasing the proportions of renewables used in the electricity mix	**Scope 2 -** Purchased electricity
Vehicles	Increasing electrification and low carbon fueling in Baker Hughes' own vehicle and vessel fleet	**Scope 1 -** Vehicles

Figure 4-3: Scope 1 and 2 emissions reduction levers

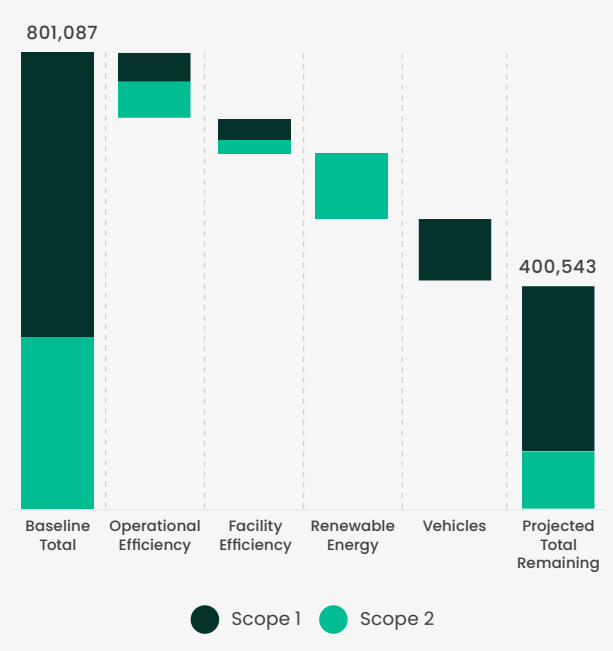


Figure 4-4: Framework to reduce emissions by 50% by 2030

Table 4-1: Scope 1 and 2 emissions by year (MT CO_2e)

	2019	2023	Change from 2019 base year	
			MT CO_2e	Percent
Scope 1	501,791	383,096	-118,695	-23.7%
Scope 2, market-based	299,296	191,417	-107,879	-36.0%
Scope 2, location-based	307,082	217,941	-89,141	-29.0%
Total scope 1 and 2, market based	**801,087**	**574,513**	**-226,574**	**-28.3%**

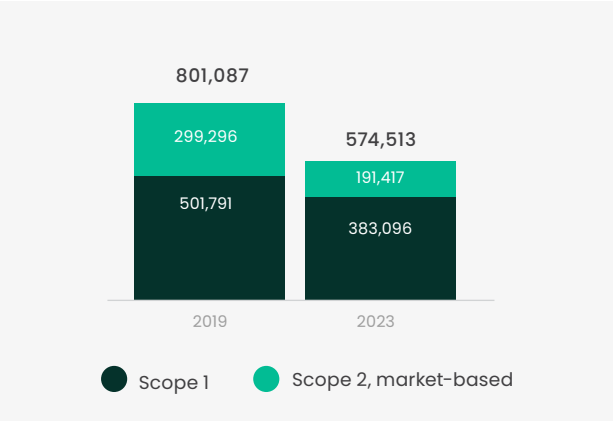


Figure 4-5: Scope 1 and 2 emissions by year (MT CO_2e)

Decreased scope 1 and 2 emissions intensity illustrated our progress

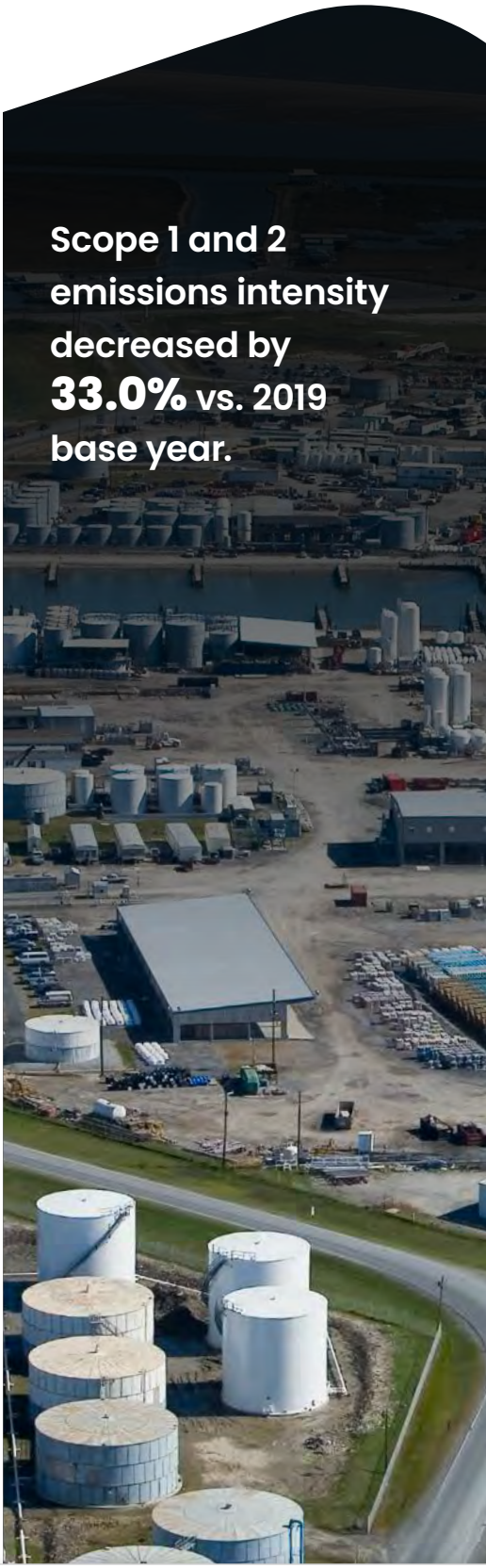
We calculate our emissions intensity in addition to quantifying emissions in absolute terms. Using emissions intensity normalizes our emissions by using revenue as a denominator, providing a more transparent view of our progress towards meeting our net-zero goal while accounting for economic growth.

In 2023, Baker Hughes saw an increase in revenue, which was primarily driven by higher volume from IET on Gas Technology Equipment project backlog execution, as well as stronger activity in OFSE. This revenue growth to $25.5 billion from $23.8 billion in 2019 with subsequent emissions reduction led to a scope 1 and 2 emissions intensity decrease of 33.0%.

Table 4-2: Scope 1 emissions breakdown (CO_2e)

Category		2019 (Base year)	2023	Change from 2019 base year	
				MT CO_2e	Percent
	Fleet	141,416	92,710	-48,706	-34.4%
	Field activities	197,666	183,302	-14,365	-7.3%
	Facilities	162,709	107,085	-55,624	-34.2%
Total		**501,791**	**383,096**[12]	**-118,695**	**-23.7%**

[12] Values are rounded to nearest whole number for reporting; 2023 Fleet emissions were 92,709.7 MT CO_2e, Field Activities emissions totaled 183,301.6 MT CO_2e, and Facilities emissions totaled 107,084.7 MT CO_2e - resulting in a total scope 1 emissions result of 383,096.1 MT CO_2e.



Our **34.4%** reduction in fleet emissions from base year 2019 is the result of a fleet population reduction and a shift away from internal combustion engines to electric and hybrid vehicles.

Fleet emissions

Our fleet results encompass emissions from all Baker Hughes owned and leased vehicles and, in 2023, we made additional efforts to improve the accuracy of our vehicle reporting. Our 34.4% reduction in fleet emissions from base year 2019 is chiefly the result of reduction in the fleet population and a shift away from internal combustion engines to hybrids and electric vehicles.

In North America, we partnered with Ford to develop a pilot for our mid-weight vehicles. This collaboration will produce fit-for-purpose electric vehicles with lower emissions than existing models in our fleet. We are also investing in additional infrastructure to provide charging stations for electric vehicles at high-density locations and central hubs, as well as developing a charging network through our partnership with Shell. In addition to our infrastructure changes, we also promote efficient driving practices through our motor vehicle idling program. This program encourages employees to turn off vehicles when their engine is idling for more than 10 seconds, saving fuel and resulting in both emissions and cost savings.

Carbon Out spotlight on progress

ALL IN. CARBON OUT.

Employee shuttle service - Italy

Strategic Outcome: Reduce scope 1 and 2 emissions

Business need: Italy is home to one of our largest centers of operations globally — approximately 6,000 of our employees commute regularly between our sites in Avenza, Massa and Florence in Tuscany. The round-trip distance of these commutes is approximately 150 miles, an emissions impact that compounds significantly when multiplied by the large employee base.

Impact: In September 2023, we began operating a shuttle service for our employees with professional drivers to more efficiently transport employees at these locations. The shuttle operates three times per day Monday through Thursday and twice on Friday. Since the inception, there have been 1,000+ reservations made in the first 90+ days of operation. This service furthers our emissions reduction goals by consolidating emissions produced by daily commutes and elevates employee well-being by providing an efficient and comfortable option to safely return home from work each day.

Supporting UN SDGs:

In support of UN SDG target 13.2: Integrate climate change measures into policy and planning, we have executed projects at various sites through our Carbon Out program, thereby improving our energy efficiency and reducing our emissions.

Field emissions

In 2023, we delivered a 7.3% reduction in emissions from field-related activities compared to our 2019 base year.

Field emissions are directly tied to our business performance and activity. Field activities at Baker Hughes drove business growth and the resulting increased revenue generation in recent years following the COVID-19 pandemic. Mitigating associated field emissions while our field activities increase with business growth is a challenge.

Integrated Solutions and Pressure Pumping services activity within our Completion, Interventions and Measurement business increased, serving more operational rigs for the business. Due to the additional rigs, field emissions within these businesses increased, but overall field emissions were mitigated by the reduction efforts executed in other parts of our business operations as we continued to evaluate more complex emissions reduction opportunities in our field activities.

Carbon Out spotlight on progress

ALL IN. CARBON OUT.

Blue Marlin 'rides the waves' - Brazil

Strategic Outcome: Reduce scope 1 and 2 emissions

Business Need: Dynamic position is a method by which a vessel remains stationary in the ocean without physically attaching itself to the oil rig or dropping anchor. Although this method provides more flexibility and efficiency in operations, it burns considerably more fuel. In our Pressure Pumping business, there is a high reliance on diesel to fuel the marine vessels utilized for operations. This high reliance on diesel heightened the need to improve the efficiency of our fuel usage related to marine vessels. Combined, our marine vessels produced 26,275 MT CO_2e in 2023.

Impact: In Brazil, our assembly, maintenance and overhaul team led a project to decrease our emissions on our Blue Marlin vessel utilizing variable frequency. Variable frequency is a new technology implemented on the vessel, designed to maximize fuel efficiency during dynamic position operations by rotating the propeller at a slower, variable rate, thereby burning less fuel. The upgrade provided significant fuel savings and emissions reduction, leading to an approximately 30% reduction in fuel consumption and approximately 14% emissions reduction when the vessel was stationary to the rig.

Supporting UN SDGs:

In support of UN SDG target 9.4: Upgraded infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies. Through our Carbon Out program we have implemented new technology designed to maximize the fuel efficiency during vessel dynamic position operations.

Scope 1 and 2 facilities emissions

Our facilities impact both our scope 1 and 2 emissions: Our scope 1 through direct production of emissions in our manufacturing or operations and our scope 2 by the choices in our purchased electricity. A key driver of how our facilities impact our direct production of emissions is through our use of natural gas in equipment testing. Gas turbines are one of our main products and in their manufacturing, require tests that utilize natural gas. We also use natural gas and other fuels directly, along with purchased electricity, to provide power to our operations, heating and cooling.

We prioritized identifying ways to reduce natural gas consumption at our facilities through Carbon Out projects and substitutions with less emissive alternatives. In our drive to reduce emissions, we continue to explore opportunities to transition from fossil fuel grid-based energy to renewable and nuclear energy sources.

Reduction in scope 2 emissions were mostly driven by expanding the coverage of renewable and zero-carbon energy sources in our facilities. In 2023, we achieved additional contracts with certified use of renewables and guarantees of origins in place in North America, Latin America and Europe. Facilities consolidation was another driver of emissions reduction in scope 2. In contrast, our emissions reduction in aggregate remains flat relative to our base year due to the higher emissivity reflected in emission factors. Emission factors published in 2023 reflect the changes in grid mix in certain geographical areas, which were influenced by the recovery in energy demand post-COVID and geopolitical conflicts, resulting in more emissive power sources in parts of the world. Additionally, we updated the base year in accordance with the GHG Protocol that encourages the review of both the current and base year calculations in every reporting cycle. This resulted in the reported emissions reduction being minimized, though in reality considerable scope 2 emissions reduction projects were executed in the performance year.

In 2023, we reduced our scope 1 and 2 emissions by **226,574 MT CO_2e** from our 2019 base year inventory of **801,087 MT CO_2e**.

Our scope 2 market based emissions for 2023 were **191,417 MT CO_2e**, a reduction of **36.0%** from our 2019 base year.

Carbon Out spotlight on progress

ALL IN. CARBON OUT.

Diesel fuel transformation to electrical grid - Saudi Arabia

Strategic Outcome: Reduce scope 1 and 2 emissions

Business Need: A Baker Hughes manufacturing facility in Dammam, Saudi Arabia was utilizing three diesel-powered generators to power site operations.

Impact: A new high voltage electrical system was installed at our Dammam site in Saudi Arabia and connected to the electrical grid. The facility required a power supply of approximately 3,300 MWhs, which were provided by generators consuming approximately 365,000 gallons of diesel fuel. Since making the switch, this power is now supplied by the electrical grid providing a significant emissions reduction for the facility as well as operational cost savings.

Reduction of Natural Gas for Heating - Argentina

Strategic Outcome: Reduce scope 1 and 2 emissions

Business Need: A Baker Hughes site at Comodoro Rivadavia in Argentina was using high volumes of natural gas to heat the facility due to the poor state of the facility roof, liners and doors.

Impact: The OFSE assembly, maintenance and overhaul field activity team collaborated across their facility to implement projects to increase energy efficiency and reduce emissions. The team worked to repair the roof, liners and doors to better insulate the building and improve the overall facility. As a result of this, natural gas consumption for the site was reduced by ~27% and emissions were reduced by ~28%.

In 2023, we had **29.8%** of our electricity sourced from zero-carbon sources.

Transitioning to Renewables

In 2023, we continued our transition away from grid electricity powered by fossil fuels to renewable and non-emissive energy, where possible. Our emissions reduction strategy maintains the adoption of Renewable Energy Credits, Renewable Energy Guarantees of Origins, Zero Emissions Certificates or Environmental Attribute Certificates that come from a local market of electricity, or Power Purchase Agreements (PPAs).

We work across all regions, prioritizing sites based on the impact of renewable sourcing and the cost-effectiveness of the projects that are part of our 2030 roadmap. We do not utilize carbon offsets or virtual PPAs currently as part of our emissions reduction program. See our carbon offset policy here.

As part of our regional initiatives in APAC, we planned and executed an onsite rooftop solar PPA in partnership with Cleantech Solar. This project marks a steppingstone to future projects in the region, strengthening our commitment to renewables.

Renewable energy increased **14.6%** from our base year

Non-renewable energy decreased **16.3%** from our base year

Non-Renewable, zero-carbon increased **1.7%** from our base year

13 New sites utilizing renewable or zero-carbon electricity from the grid in 2023

11 Sites utilizing on-site solar energy

87 Total sites utilizing renewable or zero-carbon electricity from the grid

Energy used by category (MWh)

	2019	2022	2023
Renewable electricity	104,307	137,327	164,597
	13.5%	22.7%	28.1%
Non-renewable electricity	667,522	446,191	410,961
Non-renewable, zero-carbon electricity[13]	N/A	20,575	9,606
Total electricity	771,829	604,093	585,165
Diesel/distillate	1,046,950	875,344	915,946
Natural gas	754,917	472,915	449,520
Gasoline/petrol	401,861	252,227	261,206
Propane	2,040	6,797	5,769
Other Fuels	0	2,595	1,266
Total fuels	2,205,768	1,609,878	1,633,707
Purchased Heating	—	—	—
Purchased Cooling	—	—	118
Purchased Steam	—	—	8,713
Total Purchased Heating, Cooling, and Steam	—	—	8,831
Total energy	2,977,597	2,213,971	2,227,702

Figure 4-6: Energy use by category (MWh and %)

[13] Non-Renewable, Zero-Carbon Electricity is a subset of Non-Renewable Electricity split out to provide additional insight into electricity breakdown and Total Electricity is a sum of the three values listed.

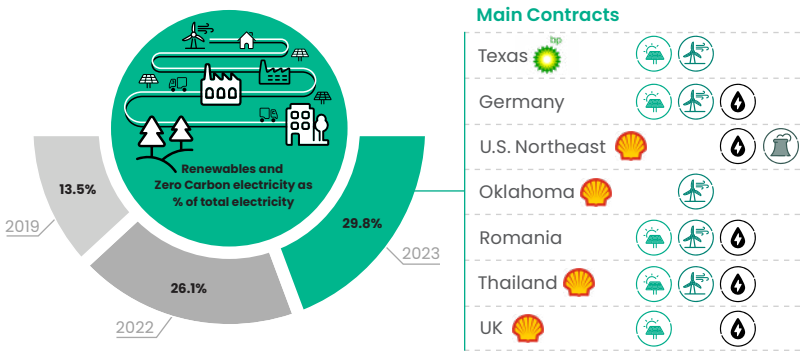


Figure 4-7: Percentage of total renewables and zero-carbon electricity[13] in 2023

Carbon Out spotlight on progress

ALL IN. CARBON OUT.

Partnering for a renewable future with Shell Energy Italia

In September 2023, Baker Hughes announced a new agreement with Shell Energy Italia — an eight-year power purchase agreement to supply seven of Baker Hughes' Italian facilities with renewable energy. This energy is sourced from Shell's solar photovoltaic farm currently under construction in the Apulia region in southern Italy.

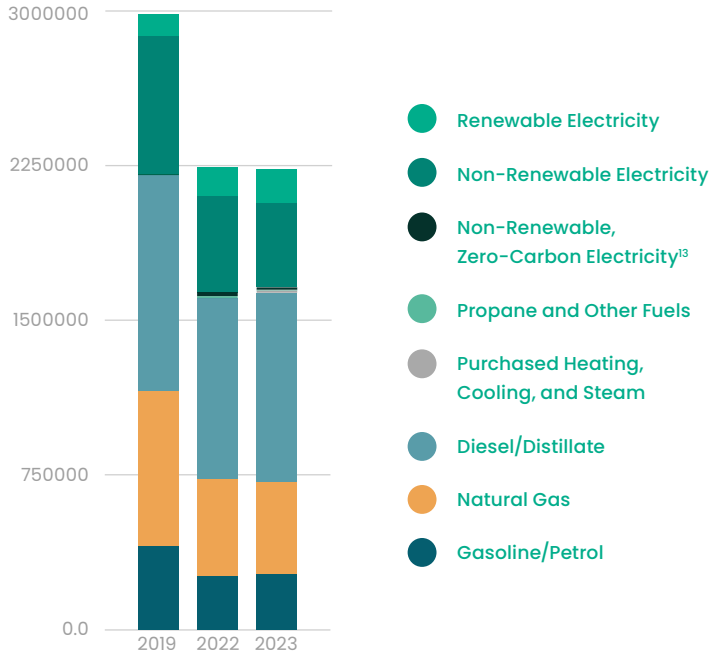
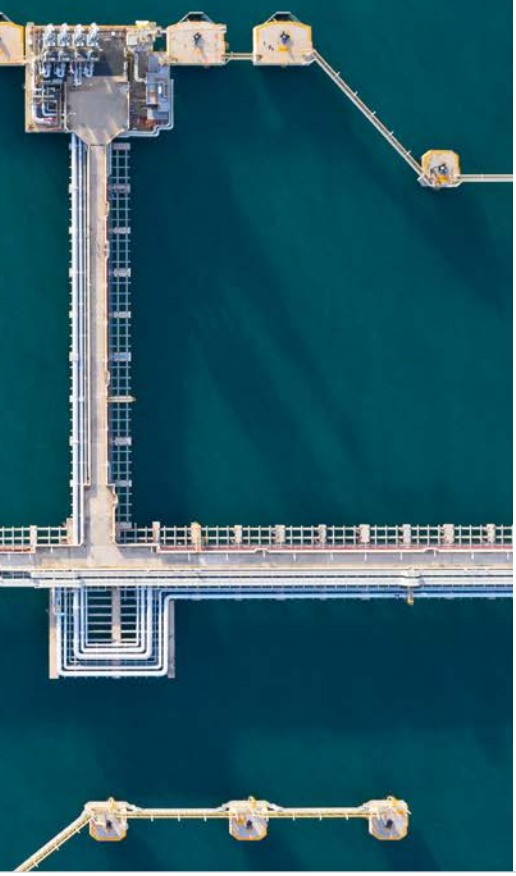


Figure 4-8: Year-over-year comparison of energy use by category (MWh)

Enable our partners to thrive in a low carbon world

Near-term scope 3 emissions targets and time-bound emissions reductions roadmaps were built by subject matter experts across the value chain, resulting in well-informed and actionable plans in 2023.



Creating a roadmap to navigate the challenges of scope 3

In 2023, we continued to make strides in reducing our scope 1 and 2 emissions, but we know we cannot help our customers meet their net zero goals without addressing our own scope 3 emissions. Scope 3 emissions account for several orders of magnitude more emissions than scope 1 and 2. To address this challenge, we created a scope 3 roadmap that aligns our priorities for each emissions reduction category, emphasizing areas where we have the largest emissions footprint. We have identified levers that will accelerate our emissions reduction efforts.

The development of our scope 3 roadmap was influenced by stakeholders across the Company. The generation of projects and ideas is employee-driven and implemented through the power and enthusiasm of our newly launched scope 3 specific Carbon Out program.

Table 4-3: Strategic levers to reduce scope 3 emissions

Strategic lever	Roadmap focus	GHG Protocol category
Supply chain and procurement	Reducing upstream emissions from supply chain and sourcing activity	**Scope 3 - Category 1** Purchased goods and services
Transport and logistics	Reducing emissions from Baker Hughes' commuting, business travel and freight haulage	**Scope 3 - Category 7** Employee commuting **Scope 3 - Category 6** Business travel **Scope 3 - Category 4** Upstream transport
Third party managed waste	Reducing emissions from third-party disposal and treatment of waste generated in operations	**Scope 3 - Category 5** Waste from operations
Low-carbon products	Reducing downstream emissions from use of Baker Hughes' products	**Scope 3 - Category 11** Use of sold products

Key scope 3 focused Carbon Out projects developed and driven by our employees

Scope 3
Employee remote training via augmented reality
Shipment consolidation to reduce diesel usage
Installation of electric vehicle charging points
Shipping crate recycling
Installation of new digital meters for water usage monitoring
Usage of reusable containers with customers
Transferring disposal waste to incineration with energy recovery

Approaching scope 3 GHG emissions

Our updated scope 3 methodology

Measuring emissions is a significant challenge, relying on estimates and third-party information. Since first quantifying scope 3 emissions for reporting year 2021, we have adhered to the provided GHG protocol emissions accounting and reporting principles to ensure our inventory represents an accurate, valid and fair account of our emissions.

In 2023, upon a thorough assessment of the appropriateness of the employed emissions factors, we determined that applying the emissions factors representing the full life cycle is appropriate and delivered added visibility and a higher level of accuracy of scope 3 emissions accounting. This resulted in overall scope 3 emissions for the year totaling 433,728,176 MT CO_2e, an increase of 83.1% compared to our base year, due to increased volume and a shift to higher power products. This also resulted in a 71.2% increase in our scope 3 emissions intensity.

Lifecycle emissions factors consider the upstream supply chain of all fuels and energy used—these factors are specific to the source of energy or fuel, the technology used in fuel or energy production and the type of fuel consumed. The impact to scope 3 emissions from including these fuel life cycle factors is an approximate increase of 22.9% to both our base year and other reported years, with a notable impact on category 11.

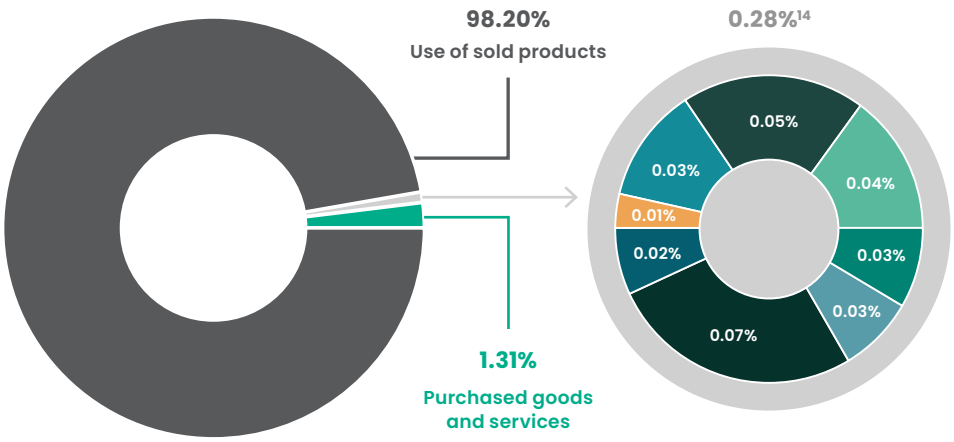
While these factors increased our absolute emissions, it gives us visibility into additional opportunities to reduce emissions through use of lower-emitting fuels and electricity throughout our supply chain.

Launching scope 3 Carbon Out

In 2023, we launched a scope 3-specific Carbon Out program to collect employee-sourced projects to achieve our internal goal for scope 3 emissions reduction by 2033. Throughout the year, multiple tools were developed and utilized to drive emissions-conscious decisions, improving our capability to propose lower-emitting solutions to our customers.

Irene Innocenti, Technical Leader - Digital Transformation, IET

Scope 3 emissions



1. Purchased goods and services
2. Capital goods
3. Fuel-and energy-related activities
4. Upstream transportation and distrib.
5. Waste generated in operations
6. Business travel
7. Employee commuting
9. Transportation and distribution
11. Use of sold products
15. Investments

Figure 4-9 Total scope 3 emissions breakdown by category (% MT CO_2e)

[14] Due to rounding of displayed values, total percentage does not equal 100%. Capital goods accounts for 0.030%, Fuel- and energy-related activities (not included in scope 1 or scope 2) accounts for 0.030%, Upstream transportation and distribution accounts for 0.068%, Waste generated in operations accounts for 0.022%, Business travel accounts for 0.013%, Employee commuting accounts for 0.031%, Transportation and distribution accounts for 0.054% and Investments accounts for 0.045%.

Table 4-4: Total scope 3 emissions by category (MT CO_2e)

Scope 3 Category	2019 (Base year)	2023	% change from 2019
1. Purchased goods and services	4,587,993	6,368,267	+38.8%
2. Capital goods	167,703	147,120	-12.3%
3. Fuel-and-energy-related activities (not included in scope 1 or scope 2)	186,887	143,841	-23.0%
4. Upstream transportation and distribution	670,580	331,325	-50.6%
5. Waste generated in operations	136,287	108,781	-20.2%
6. Business travel	102,015	68,967	-32.4%
7. Employee commuting	186,849	152,870	-18.2%
9. Transportation and distribution	482,549	260,844	-45.9%
11. Use of sold products	230,203,237	425,927,694	+85.0%
15. Investments	108,467	218,467	+101.4%
Total reported scope 3 emissions	236,832,567	433,728,176	+83.1%

Samaneh Soroush, Product Performance Engineer, OFSE

Key influences and driving factors for scope 3 results by category

1. Purchased goods and services	Increased business activity drove increased emissions for category 1 compared to the 2019 base year, particularly from chemicals and raw materials commodities. Category 1 is the second largest contributor to our scope 3 emissions; while only 1.31% of total scope 3 emissions, there are key factors that as a company we can influence. Business activity has a large influence on the results of this category, but we have made significant strides in our processes to combat the associated emissions. In 2023, we developed a methodology to assess our over 30,000 suppliers to determine the largest influences on emissions and identify opportunities. We also continued regular engagements with our suppliers, which resulted in an approximately 50% increase in our supplier responses to CDP submissions.
2. Capital goods	We drove a 12.3% reduction in capital goods emissions compared to our 2019 base year. Spend on capital goods can vary for many reasons and is not necessarily linked to overall activity.
3. Fuel-and-energy-related activities (not included in scope 1 or scope 2)	Overall reduction is directionally aligned with reductions in scope 1 and 2 emissions, as part of the Company's Carbon Out initiatives. As such, we reduced this category of emissions by 23.0% compared to 2019 base year in fuel- and energy-related activities, excluding activities already accounted for in scope 1 and 2 emissions totals.
4. Upstream transportation and distribution	Logistics optimization contributed to reduced air freight, a highly emissive mode of freight. Our supply chain professionals use emissions savings calculators to inform decisions and assess savings from Carbon Out initiatives. Supply chain optimization has yielded both emissions and cost reduction. This resulted in a reduction of 50.6% compared to the 2019 base year.
5. Waste generated in operations	The emissions from processing waste generated also decreased compared to the 2019 base year. Reduced volume of waste, repurposed waste (where possible) and increased recycling resulted in this reduction. *Read more in our Managing Waste section.*
6. Business travel	Employee travel-related emissions decreased in 2023 compared to the 2019 base year. In part due to more virtual meetings with customers and suppliers. We also formalized a sustainable business travel internal policy in 2023 and enabled visibility for comparative emissions on routes and modes of transportation in our travel management system.
7. Employee commuting	Remote work and hybrid functionality allowed eligible Baker Hughes employees to reduce emissions related to commuting compared to our base year. Since the COVID-19 pandemic we have seen the continuation of this trend and increased consciousness and education across the business to maintain this progress.
9. Transportation and distribution	Similar to category 4, optimization on both upstream and downstream emissions through supply chain initiatives work to inform decision making, resulting in emissions and cost reduction.
11. Use of sold products	The increase in sales and the product mix led to emissions increase of 85.0% from our 2019 base year. Two contributing factors were technology advances in our Aeroderivative Gas Turbines, which increased their average power per unit by 45.5% compared to 2019 and our Electrical Motors increasing their average power generated per unit by 175.0% compared to 2019.
15. Investments	Emissions related to companies that Baker Hughes has invested in have increased since our 2019 base year, primarily due to the activity and revenue increases within these businesses.

Figure 4-10: Key influences and driving factors for scope 3 results by category

Our use of sold products influence on scope 3 emissions

As category 11 makes up 98.2% of all scope 3 emissions, these changes to volume and mix of our products, as well as market conditions, have a large influence on our results. We continue research into technology advancements to implement efficiencies into our products that will impact their contributions to our overall scope 3 emissions.

In the post-pandemic world, our customers' growing need for energy has led to increased sales of our more powerful gas turbines and electric motors. Both the increase in sales and the product mix itself led to an emissions increase of 85.0% from our 2019 base year. Technological advances in our highly efficient Aeroderivative Gas Turbines increased the average power per unit by 45.5% from our 2019 base year, while the average power generated by our Electrical Motors increased by 175.0% from our 2019 base year. While these remain the most-efficient options in their class, the large power consumption of these turbines drives increased lifetime emissions during use.

Conversely, in our Artificial Lift Systems (ALS) product line, fluctuations in our volume mix contributed to slight reductions in category 11 emissions. In 2023, our ALS product line deployed more efficient permanent magnet motors at well sites, replacing older, more emissive technology. Combining permanent magnet motor technology with Baker Hughes' electric submersible pump capabilities created differentiated solutions, creating advantages for our customers while producing fewer emissions.

We are advancing our emissions reduction and management journey by incorporating LCAs into our Product Development process. By completing LCAs prior to product launch, we are able to provide the transparency our customers need to be successful in a low-carbon world.

Completing *Fast*LCA for >95% of our most emission-intensive products by 2026

*Fast*LCA is our proprietary tool developed by Baker Hughes and used to quantify the environmental footprint throughout all lifecycle stages of our products and services. The tool is aligned to ISO 14040/44 and ISO 14067:2018 and provides our customers verified emissions footprint of the assessed products and/or systems. In 2023, we completed 313 LCAs, a 627.9% increase YOY. As part of our overall sustainability strategy, we work to quantify the lifecycle GHG emissions of all of our major product groups. The comparative analysis feature helped to provide important insights into efficiencies gained through new product innovations.

LCAs give our customers clear insight into how our products will affect their emissions as we continue to transition into a low carbon world. They also play an important role in the design phase of our products where emissions impacts are reviewed with other design features. Our LCAs provide an emissions profile for our product or service and can serve as a heat map that identifies the highest emission materials, manufacturing processes, transport, installation and operations activities. These insights drive decisions and Carbon Out initiatives. LCAs are internally peer-reviewed and verified by our Emissions and Climate Analytics Center of Excellence.

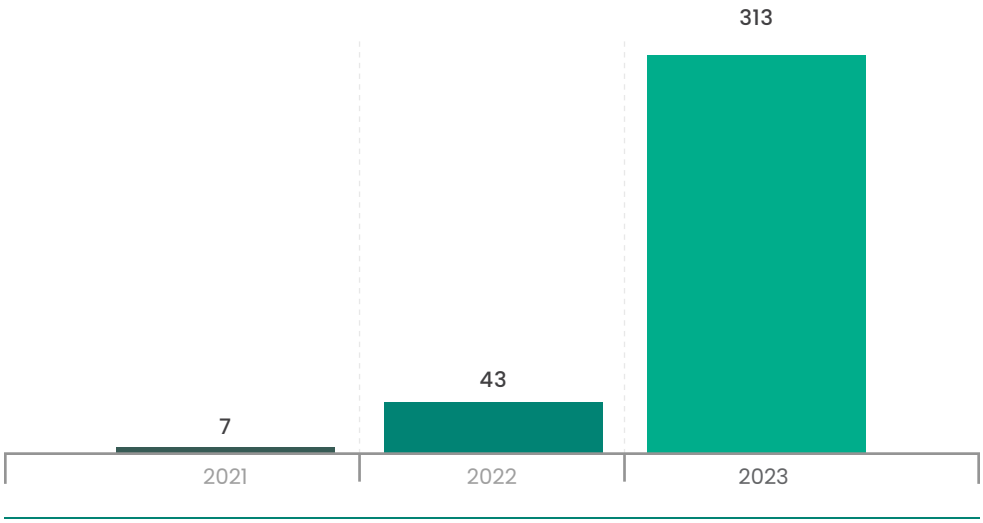


Figure 4-11: Number of total LCAs completed

Championing environmental stewardship

We are committed to minimizing the environmental impact across our facilities, through the services we provide at our customer sites and in the communities where we operate. We take a holistic risk-based approach to make progress towards our commitments. Our robust environmental policies and programs, which are part of our larger HSE management system (HSE MS), provides a framework for continuous improvement that is built on stringent standards that we set for ourselves, meeting or exceeding global regulatory requirements. Our environmental management system is aligned to ISO 14001: 2015 and embeds into supporting risk assessments, global procedures, training, reporting and verification and control measures to reduce our impacts.

Minimize the resources we use

Managing waste

Effective waste management is critical to sustainability and our operations. We aim to embed the principles of a circular economy in all aspects of our business. This means minimizing the materials and energy used during all production phases, reducing waste and increasing recycling. We follow our formal procedure for waste management and minimization, which requires that all waste types are identified and tracked to provide guidance promoting efforts to minimize waste volumes and increase the recycling and reuse of materials at each site. Teams across our business work to identify waste at their sites, find opportunities to reduce production of waste and utilize our partnerships with waste disposal vendors to collaborate on alternative and more sustainable disposal methods.

In 2023, we continued to embrace waste minimization by designing products with circularity in mind, reducing the amount of waste we produced, increasing recycling, decreasing our waste to landfill, repairing end-of-life assets and repurposing waste material that can serve as a feedstock for other sectors.

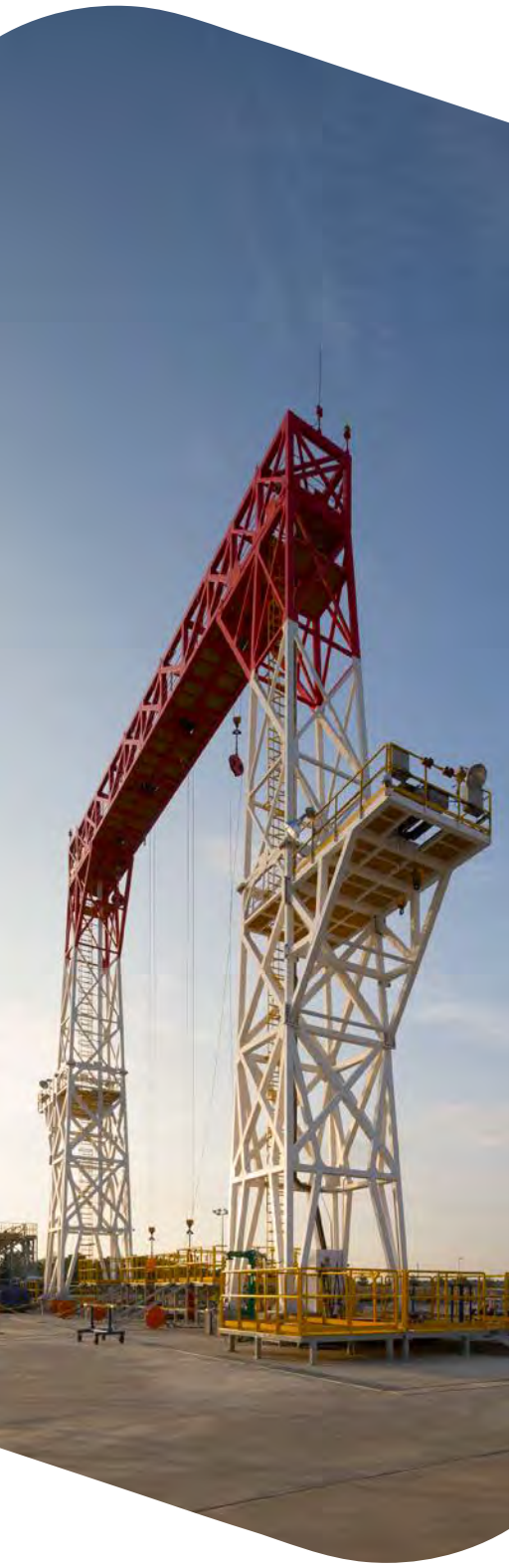
As part of our waste management program, we review and verify our waste management vendors for disposal, recycling and treatment to verify these vendors comply with our strict waste management requirements.

In 2023, we reduced the volume of hazardous waste generated by Baker Hughes by 27.1% compared to our 2022 base year.[15] This reduction is in part related to the consolidation of our global footprint, where we optimized our presence in key areas to better align with our business operations. We also saw an increase in the amount of waste diverted from disposal through various recovery operations. We had a 6.3% decrease in the volume of waste direct to landfill compared to our 2022 base year. These trends show us moving in the right direction regarding our waste management.

Throughout 2023, experts in waste operations have formed cross-business working groups focused on identifying opportunities for waste reduction. These working groups are responsible for creating waste checklists that have been piloted at top waste contributing sites with plans to replicate throughout the rest of the Company. We identified some of the larger waste generators within the organization and are looking into specific waste streams to target reduction.

[15] Our waste metrics are measured to a 2022 base year rather than 2019 due to methodology changes that were implemented in 2022.

Hannah Jasinski, Product Management, OFSE



Waste generated

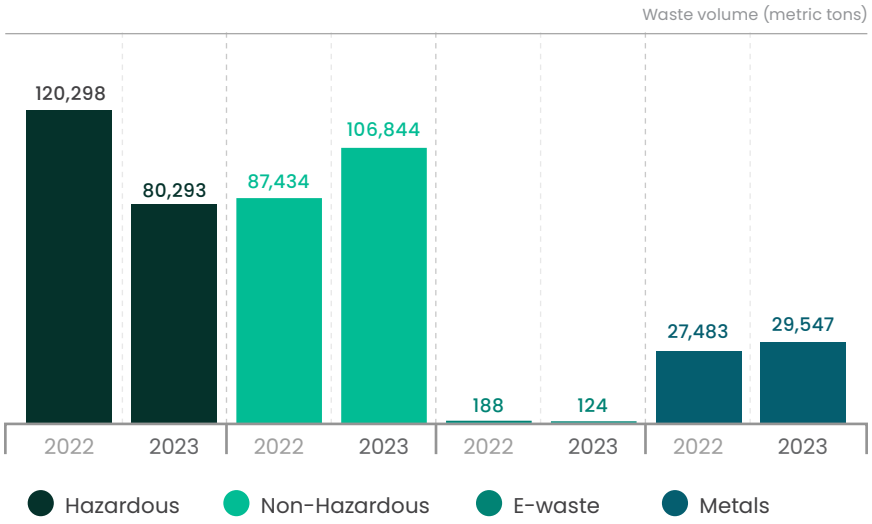


Figure 4-12: Generated waste by volume and type (metric tons)

Waste recycled

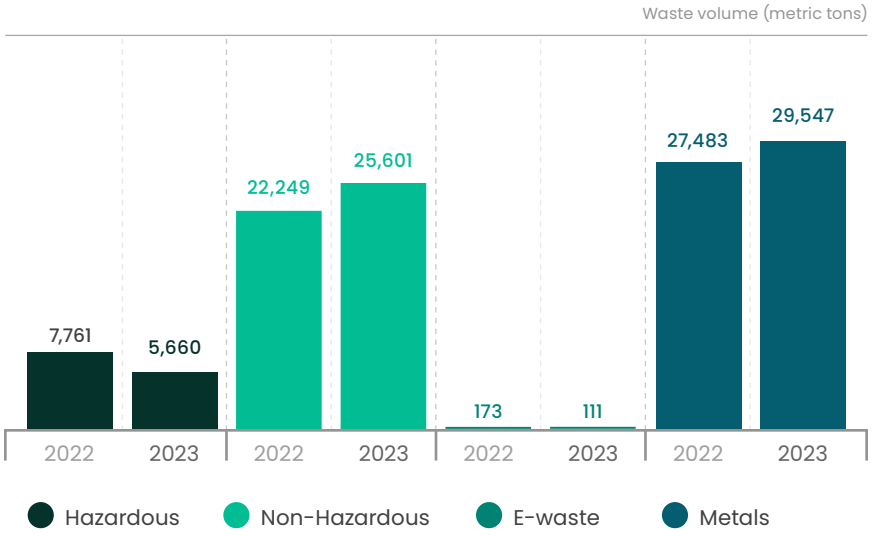


Figure 4-13: Recycled waste by volume and type (metric tons)

Waste disposed

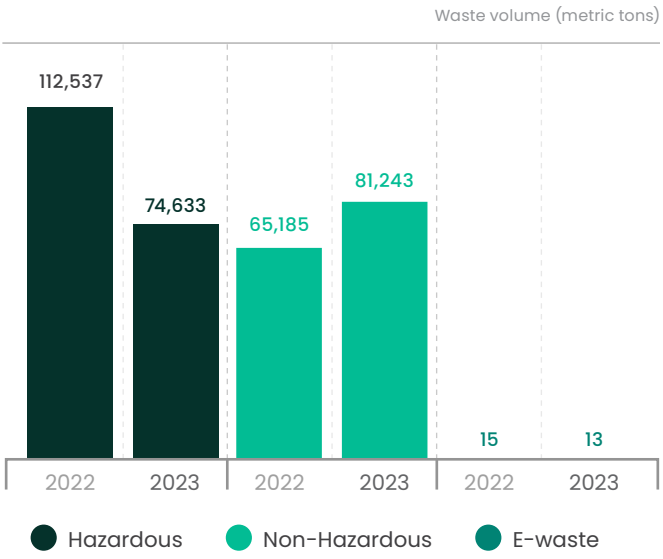


Figure 4-14: Disposed waste by volume and type (metric tons)

Table 4-4: Waste volume (metric tons)

	Recycled			Disposed			Generated		
	2022	2023	% change	2022	2023	% change	2022	2023	% change
Hazardous waste	7,761.0	5,660.2	-27.1%	112,537.0	74,633.1	-33.7%	120,298.0	80,293.3	-33.3%
Non-hazardous waste	22,249.0	25,601.2	+15.1%	65,185.0	81,243.2	+24.6%	87,434.0	106,844.4	+22.2%
E-waste	173.0	111.3	-35.7%	15.0	12.9	-14.0%	188.0	124.2	-33.9%
Metal waste	27,483.0	29,547.0	+7.5%	0.0	0.0	0.0%	27,483.0	29,547.0	+7.5%
Total	57,666.0	60,919.7	+5.6%	177,737.0	155,889.2	-12.3%	235,403.0	216,809.9	-7.9%

Table 4-5: Waste diverted from disposal by recovery operation (MT)

	Hazardous waste			Non-hazardous waste			E-waste			Metal waste		
	2022	2023	% change	2022	2023	% change	2022	2023	% change	2022	2023	% change
Offsite preparation for reuse	629.0	559.0	-11.1%	801.0	1,154.6	+44.1%	6.0	1.8	-70.0%	—	—	—
Offsite reclamation	3.0	4.3	+43.3%	221.0	349.2	58.0%	—	—	—	—	—	—
Offsite recycling	—	—	—	—	—	—	167.0	109.5	-34.4%	—	—	—
Offsite material recovery	—	—	—	—	—	—	—	—	—	27,483.0	29,547.0	+7.5%
Other offsite recycling options	7,129.0	5,096.9	-28.5%	21,227.0	24,097.4	+13.5%	—	—	—	—	—	—

Table 4-6: Waste prevented from disposal (MT)

	Total waste prevented	Total waste prevented	
	2022	2023	% change
Former waste to product conversion	1,266.0	2,463.5	+94.5%

Table 4-7: Waste directed to disposal by disposal operation (MT)

	Hazardous waste			Non-hazardous waste			E-waste		
	2022	2023	% change	2022	2023	% change	2022	2023	% change
Offsite incineration with energy recovery	978.0	14,239.4	+1356%	1,940.0	3,001.4	+54.7%	—	—	—
Offsite incineration without energy recovery	2,062.0	867.6	-57.9%	1,875.0	1,013.0	-46.0%	—	—	—
Offsite recycling	4,210.0	3,133.7	-25.6%	24,986.0	22,878.8	-8.4%	—	—	—
Offsite landfilling	105,287.0	56,392.3	-46.4%	36,384.0	54,350.0	+49.4%	—	—	—
Disposal	—	—		—	—		15.0	12.9	-14.0%

Spotlight on progress

Circularity through additive manufacturing

Strategic Outcome: Reduce waste to landfill by 2030

Business Need: We identified that many older or obsolete parts could have their service life extended or features enhanced through additive manufacturing. At Baker Hughes, contributing to a circular economy means producing in a sustainable way from the early stages of product development through project completion or material disposal. We evaluate environmental requirements in our additive products and processes and eco-design principles are applied from the beginning of development through a comprehensive approach to predict lifecycle impact. Additive manufacturing uses data computer-aided design software to direct hardware to deposit material, layer upon layer, in precise geometric shapes to create an object.

Impact: We utilize additive manufacturing to reduce material consumption and shipping distances, improving the overall efficiency of production and the supply-chain process. Moreover, additive manufacturing gives us the possibility to extend the life of obsolete products and even to upgrade old products' features. A case study performed on a first-stage gas turbine nozzle resulted in a ~26% reduction of energy consumption and a ~42% reduction in raw materials. This not only resulted in a decrease of waste to landfill, but it also improved efficiency and reduced scope 3 category 5 waste generated in operations.

Supporting UN SDGs:

In support of UN SDG target 12.5: By 2023, substantially reduce waste generaton through prevention, reduction, recycling and reuse. We are committed to reducing our volume of waste, by using resources wisely, increasing the recycling of materials within our business and reducing waste going to landfills.

Aaron Clane, RDD Technician Senior, OFSE

Reducing spills and reporting them transparently

In 2023, we reduced our significant spill volume and chemical spills by **35.3%** and **70.9%**, respectively, compared to 2022.

The nature of our services and production operations involves materials that must be handled responsibly, else induce consequences if they are not. As a company, we focus on addressing the root causes of spills through proactive measures, such as risk assessments, spill response planning and regular preventative maintenance on equipment. These efforts aim to create safeguards against the risk of spills occurring and minimize any related adverse impacts. It is our responsibility to ensure a safe future for our employees, our communities and our environment.

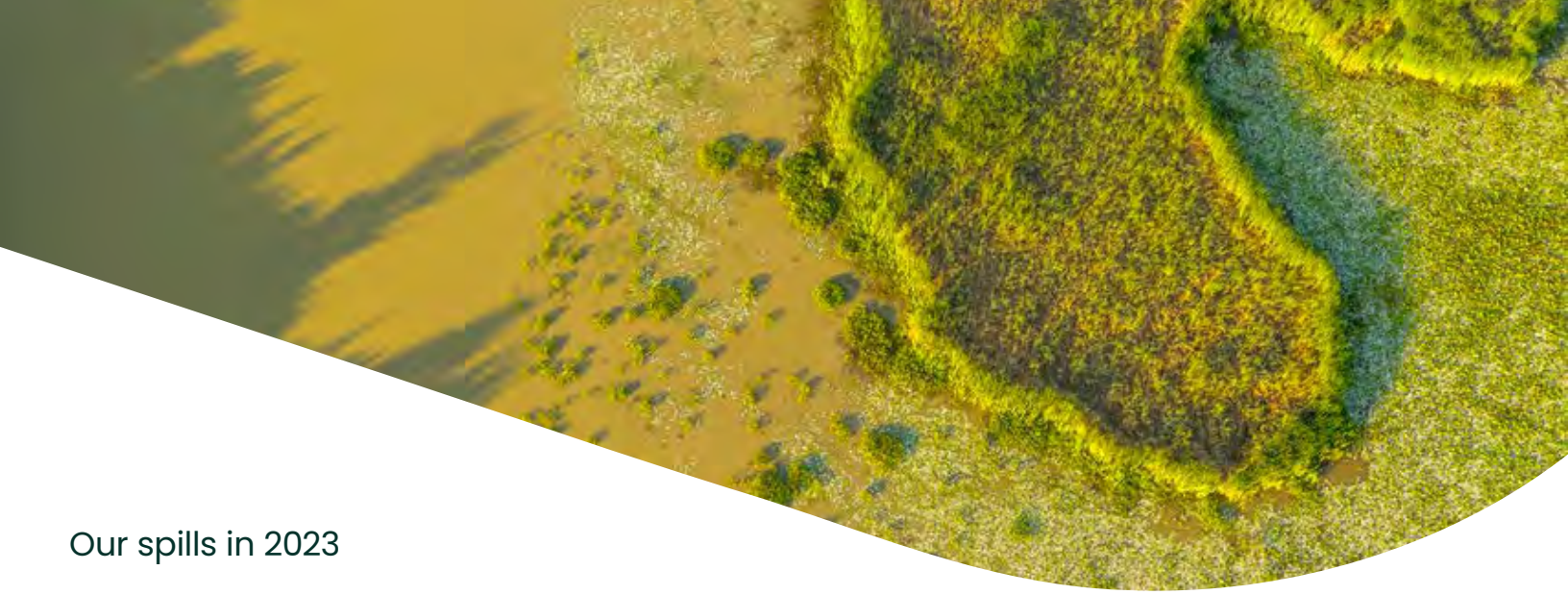
We strive to reduce both the quantity of spill related incidents and the total volume of spills at our sites and locations where we operate. We are proactive in our efforts to avoid spills by requiring equipment inspections, secondary containment, spill response plans and drills and routine maintenance at our sites. When spills do occur, we work to immediately stop the spill and mitigate any environmental effect.

Reporting spills

We are transparent in how spills are reported and tracked to identify potential trends or areas of focus. Our sites are required to report every spill and categorize accurately, regardless of the volume and whether the contents were captured in secondary containment.

All reported spills are reviewed by an environmental subject matter expert who works with impacted sites to understand the nature and impact of the spill and assure accuracy of reporting. Significant spill occurrences go through a stringent root cause analysis that identifies points of failure in processes that led to the spill. Detailed investigations are required immediately following a spill that document contributing factors and corrective actions to prevent future spills.

In 2023, we focused heavily on the governance of spill reporting compliance and increasing data visibility across the business. We implemented and drove regular business reviews, focused site visits, site engagements and coaching. Additional training and reference guides were developed to help our employees better classify and report spills accurately. Of note, we reduced our significant spill volume and chemical spills by 35.3% and 70.9%, respectively, compared to 2022. The reduction of spill volume across our sites in 2023 is a reflection of our efforts to strengthen internal procedures, processes and culture.



Our spills in 2023

Table 4-8: Spill volume (barrels)

Category	2022	2023	% change from 2022
Significant spills*	827	535	-35.3%
Oil spills**	37	14	-62.2%
Fuel spills**	3	1	-66.7%
Waste spills**	1	0	-100.0%
Chemical spills**	378	110	-70.9%

*Significant spills exclude third party, clean water, clean gravel and inert gas.
**Denotes the subset of significant spills that have reached soil and/or water.

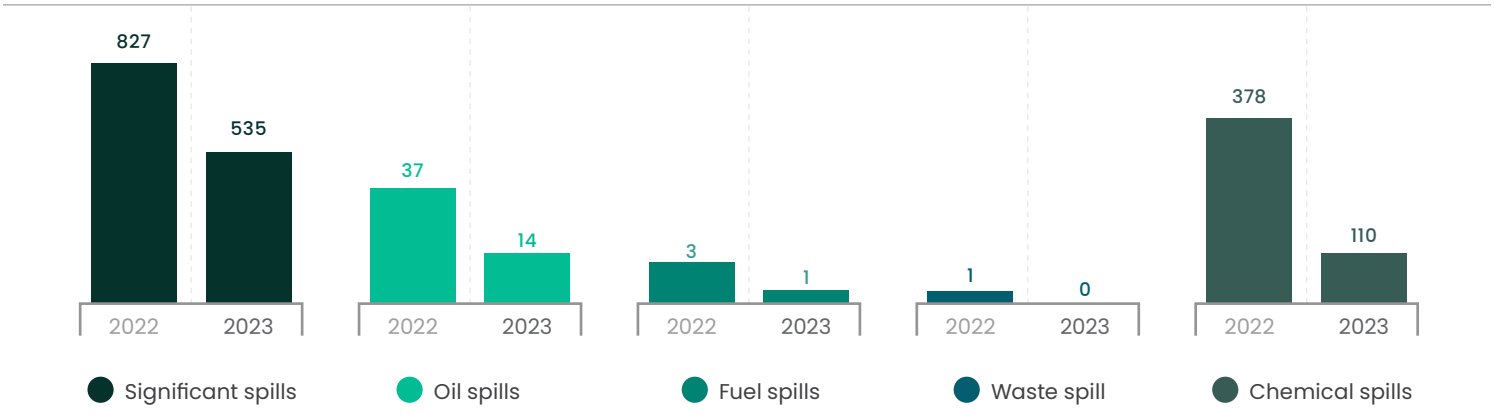


Figure 4-15: Spill volume by type (barrels)

Preventing and reducing spills at our sites

We strongly believe in being proactive to avoid spills through periodic inspection and routine maintenance. We have robust internal standards and processes to identify any risks of spills and have established control measures, including secondary containment and other engineering controls.

Sites are expected to conduct and document periodic inspections to identify spill risk factors as outlined in our spill prevention and response procedure. Timely corrective actions or improvements must be implemented and tracked in our system of record.

Spotlight on progress

Strategic outcome: Reducing spills at our sites by 2035

Business need: There is a need to reduce the number and volume of spills at our sites and operations to protect the health and safety of our employees, communities and the environment through routine inspections and maintenance.

Impact: In 2023, we inspected ~98% of the tanks at our sites and took action to repair all deficiencies found. We also performed preventative maintenance where necessary. These routine inspections serve a vital role as they protect our employees, sites and communities from possible water contamination and the release of hazardous substances. Through diligence in our commitment to inspect and repair tanks, we have seen a reduction in significant spills of 35.3% from 2022.

Supporting UN SDGs:

In support of UN SDG target 6.3: By 2023, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally. Through our tank inspections and spill prevention and reporting processes we aim improve water quality and reduce pollution

Managing chemicals

We follow our chemicals management procedure for the proper handling and management of chemicals at our sites and customer job locations. Baker Hughes is a longtime participant in ChemStewards®, a rigorous program to foster and improve upon a culture of facility safety, product stewardship, environmental safeguards, risk reduction and stakeholder engagement.

Water stewardship

Responsible water stewardship and the protection of water stressed areas helps mitigate the adverse effects of climate change. As an organization, we are committed to conserving and protecting natural resources throughout the water cycle and effectively managing our withdrawal, consumption and water discharge in water-stressed locations and elsewhere. Many of our operations and tests require the withdrawal and consumption of water. Still, due to the nature of our operations, it does not significantly impact water availability in the regions where we operate. To achieve our objective of minimizing the resources we use, we have committed to reducing our usage of water in our water-stressed sites by 2030.

In 2023, our total water withdrawal decreased by 7.2% to 2,984.4 Megaliters (ML) in 2023 from 3,214.3 ML in our 2022 base year. Our total water discharge was down 12.3% to 2,329.7 ML in 2023 from 2,655.0 ML in our 2022 base year. The increase in consumption was attributed to challenges with aging infrastructure and meters impacted by adverse weather.

Table 4-9: Total water use (ML)

	Water Withdrawn (ML)			*Water Consumed (ML)*			*Water Discharged (ML)*		
	2022	**2023**	**% change**	**2022**	**2023**	**% change**	**2022**	**2023**	**% change**
Surface water	0.1	0.0	-100.0%	559.0	654.7	+17.1%	55.0	41.6	-24.4%
Groundwater	618.0	646.6	+4.6%				45.0	34.5	-23.3%
Municipal water	2,596.0	2,337.8	-9.9%				2,536.0	2,239.1	-11.7%
Seawater	0.2	0.0	-100.0%				19.0	14.5	-23.7%
Total	3,214.3	2,984.4	-7.2%	559.0	654.7	+17.1%	2,655.0	2,329.7	-12.3%

Water stressed sites

We assess areas of water stress using the World Resources Institute's Aqueduct tool. Out of our total 787 sites as of year-end 2023, 91 sites were in an area of high water risk and 61 were located in an area of extremely high water risk based on their physical, regulatory and reputational risk profile. An additional six sites were reclassified to a water risk area from 2022.

In 2023, our water consumption in water stressed areas increased by 80.3% compared to our 2022 base year, with our 2023 consumption at 23.4 ML. Our water withdrawn from these areas remained roughly the same, marginally decreasing from 410.0 ML in our 2022 base year to 409.2 ML in 2023 and water discharged to these areas decreased from 397.0 ML in our 2022 base year to 385.7 ML in 2023. The site reclassifications made in 2023 contributed to the observed increase in water withdrawal and water consumption at water stressed sites.

Table 4-10: Water use in water stressed areas (ML)

	Water Withdrawn (ML)			*Water Consumed (ML)*			*Water Discharged (ML)*		
	2022	**2023**	**% change**	**2022**	**2023**	**% change**	**2022**	**2023**	**% change**
Surface water	0.1	0.0	—	13.0	23.4	+80.0%	27.0	15.2	-43.7%
Groundwater	152.0	137.3	-9.7%				15.0	8.1	-46.0%
Municipal water	258.0	271.9	+5.4%				349.0	353.3	+1.2%
Seawater	0.0	0.0	—				6.0	9.1	+51.7%
Total	410.1	409.2	-0.2%	13.0	23.4	80.0%	397.0	385.7	-2.8%

Risk identification and mitigation

The enterprise HSE team oversees water quality standards and provides site teams with effective tools to manage risks, promote effective water management and elevate our conservation practices. Our global water quality protection procedure sets the minimum standards and requirements for all sites and operations globally, regardless of risk profile. Sites with high or extremely high water risk are required to complete an additional assessment to evaluate their activities where water is used and identify options for conservation, improved efficiency and risk mitigation. In 2023, 17 water conservation and management assessments were completed.

Protecting biodiversity and natural capital

We are committed to minimizing our adverse impacts on biodiversity, protected areas and areas of significant biological value at or near all our operational sites. We endeavor to minimize our environmental footprint, conserve natural habitats and protect and restore ecosystems through nature-based projects. Our conservation efforts focus on internal standards for establishing sites in new areas, sound environmental practices throughout our existing operations, employee volunteer efforts and foundation grants to support environmental efforts.

As part of our commitment to biodiversity, our strategy aims to assess 100% of sites on biodiversity risk by 2030 and implement risk management programs for any identified high-risk sites. In 2023, we started training and awareness initiatives to progress this, with more engagements planned to achieve our strategic outcome.

Assessing our impact on biodiversity

We recognize the UNESCO "No-Go" commitment for Natural World Heritage sites as an important program for the protection of unique and valuable locations. We are concerned about the potential effects that industrial operations could have on protected and ecologically sensitive sites. In 2023, we continued our methods of engaging internal stakeholders to complete in-depth reviews of our sites. This includes locations in Mexico, Angola, Australia, France, Germany, the United States and the United Kingdom.

We publicly disclose the presence of International Union for Conservation of Nature (IUCN) Red List species on or adjacent to our Company locations. Based on our review, we had a total of 20 sites impacting, located adjacent to, or in protected areas. We identified 433 species on the IUCN Red List that have habitats in areas that may be potentially affected by our operations. This is an increase from our 2022 reported species of 392. A total of 275 species reported this year are classified as least concern. The increase in the number of species reported is attributed to the addition of sites in 2023 and the higher species count for areas in Alaska.

We have integrated biodiversity assessments for all new or potential facilities for the past three years. We aim to ensure that all facilities are thoroughly assessed to understand possible impacts on surrounding communities, protected areas or species.

For our industrial sites, the review of environmental risks includes sensitive habitats, such as wetlands and the potential presence of protected species. We conduct formal environmental impact assessments as required by local regulations. This is particularly important for new business activities worldwide due to the continuing changes to our real-estate portfolio.

Spotlight on progress

Biodiversity risk assessments

Strategic Outcome: Assess 100% of sites for biodiversity risk by 2030 and implement risk management programs for high-risk sites

Business Need: We have an obligation to limit the impact that our operations have on the wildlife and biodiversity around them. To accomplish this, we require assessments of all of our sites and processes to limit exposure to at-risk sites.

Business Impact: In 2023, we started developing a comprehensive risk assessment program based on our current annual biodiversity survey. It will serve as the backbone for measuring the level of biodiversity and environmental risk at each of our locations. Laying the groundwork and defining these reporting parameters prepares the sites with the knowledge to assess and understand the requirements for upcoming biodiversity regulations accurately.

Supporting UN SDGs:

In support of UN SDG target 15.4: Ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their enhance their capacity to provide benefits that are essential for sustainable development. We are committed to minimizing our adverse impacts on biodiversity, protecting areas and areas of significant biological value at or near all our operational sites. We endeavor to minimize our environmental footprint, conserve natural habitats and protect and restore ecosystems through nature-based projects. As part of our commitment to biodiversity, our strategy aims to assess 100% of sites on biodiversity risk by 2023 and implement risk management programs for high-risk sites.

Evaluating new frameworks

In 2023, a strategic working group began evaluating the Taskforce on Nature-related Financial Disclosures (TNFD) framework. Our framework evaluation began our journey to incorporate nature-related dependencies, impacts, risks and opportunities into our operations and decision-making processes. We will continue to evaluate the TNFD guidance that was published in 2023.

Contributing to reforestation efforts

Through the Baker Hughes Foundation, we develop partnerships with conservation organizations and fund environmental projects that protect biodiversity and minimize the effects of climate change. While Baker Hughes is not involved in deforestation, we strive to support environmental projects, such as the preservation of sensitive forest areas.

See our One Tree Planted Spotlight on Progress in the People chapter for more details.

Positioning ourselves early as a key technology provider

Our proactive policy framework

People around the world are calling for greater sustainability in their communities and governments are responding. As part of our sustainability strategy, we track policies worldwide to remain a leader in bringing solutions to our customers. Anticipating policy developments helps us identify regions and sectors where policies are constructive to supporting technologies such as carbon capture, hydrogen, geothermal and emissions management. We also provide technical assistance to governments so that policies are technology-neutral and achieve societal objectives.

Understanding sustainability policy also makes good business sense. It helps us better understand our customers' needs and how best to address them. Governments are setting targets and associated regulations to reduce emissions and pushing companies to disclose their environmental impacts. Whether it be new regulations to disclose climate risk in the United States or a broader set of disclosures concerning environment, social and governance in the European Union, we strive to be ahead of the curve in terms of compliance. Our approach to public policy has helped us recognize this push for transparency and develop new ways to provide related information to our customers.

Developing low carbon energy solutions

We have over 10 years of experience developing technology solutions that address several areas within the CCUS value chain. These include technologies for post-combustion capture, compression, flexible pipelines, subsurface storage and long-term reservoir integrity and monitoring.

Although we have executed many global projects in these areas, we need to go beyond our current state and continue to innovate to enable our partners to utilize lower carbon solutions. Therefore, we are collaborating with industry leading companies to further our involvement and expertise in direct air capture and carbon capture.

We have been active in geothermal hotspots for over four decades with projects in more than 30 countries across six continents. The Company is also investing in sustainable energy technology to advance long-term solutions for a lower carbon era, including hydrogen, geothermal and CCUS, while growing our new energy portfolio and orders totaling $0.6 billion for IET and $0.2 billion for OFSE.

Supporting UN SDGs:

In support of UN SDG target 7.4: By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology and promote investment in energy infrastructure and clean energy technology. We made a strategic investment with Baseload Capital, a specialized investment entity that funds the deployment of geothermal heat and power. This investment lays the groundwork for funding high-potential opportunities for development and operation while simultaneously propelling next-generation geothermal, hydrogen and CCUS technologies from pilot stages to commercial scale.

Emissions abatement

Baker Hughes has more than 40 proven emissions management technologies that result in emission reduction, with solutions available from the reservoir to midstream and downstream. This includes gas technology solutions and upgrades that can extend equipment life, enhancing availability and performance while contributing to further emissions reductions.

In 2023, we continued to focus on enhancing equipment efficiency, starting from the design phase — including looking at innovative materials for manufacturing - because increased efficiency ultimately leads to less emissions. At Baker Hughes, we are committed to doing our part by reducing potential methane leaks across the upstream, midstream and downstream gas value chain.

In March 2023, we announced a memorandum of understanding with Ecopetrol to foster the use of geothermal energy in Colombia.

Utilizing geothermal energy

Geothermal energy and related technology innovation is a continued priority for Baker Hughes. We continued to make progress on top of our long history with geothermal involvement; we believe that geothermal energy is a long-term solution that will support the achievement of a lower carbon world. In 2023, Baker Hughes continued to take an active role to accelerate the investment and importance of geothermal energy use.

Our active history in geothermal hotspots spans over four decades, with projects in more than 30 countries across six continents. We champion continuous investments across sustainable energy technology in order to support innovation for a better future.

Developing hydrogen solutions

We know hydrogen is a key long-term player in the energy transition. The combustion of hydrogen produces zero emissions and the production of hydrogen can be completed with little to no emissions. Both of these facts make it a key player in our CTS portfolio. Baker Hughes has been developing technologies and solutions in the hydrogen space for over 100 years, with capabilities serving the entire value chain — compressors, gas turbines, valves, centrifugal pumps, non-metallic pipes, hydrogen sensors, monitoring and diagnostics solutions for production and storage.

Since our introduction into the hydrogen space, we have 2,250+ hydrogen compressors installed, as well as more than 70 active hydrogen projects with our turbine technology.

Climate change as a financial risk and opportunity

At Baker Hughes, we recognize the challenges of climate change, but we also see the opportunities for growth that stem from a resource-constrained but innovative world. The transition to a low carbon economy is a driving factor of our strategy and we made it a priority to enhance our business resiliency by pursuing new commercial opportunities for us and our customers while managing physical risks to the Company.

To position ourselves for long-term success, our business, in accordance with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, developed quantitative analyses of physical and transition risk due to climate change. These analyses helped provide more insight on diverse implications of changing climate on our business over three time horizons: short-term (five years), medium-term (5-10 years) and long-term (beyond 10 years).

In line with the TCFD recommendations, we divide our risk assessment into two major categories: risks related to the physical impacts of climate change as well as risks and opportunities related to the transition to a lower-carbon economy. To that end, we are continuously working on improving methodology and data accuracy. In 2023, we fully automated our TCFD physical risk computation process.

We continued to expand and reach milestones in 2023 which include:

- **We established our new Hydrogen Testing Facility, which allows Baker Hughes to test turbines under all project conditions, providing our customers with enhanced operational confidence.**
- **The NovaLT™16 turbines underwent full load testing at the newly unveiled Hydrogen Testing Facility. This family of turbines can be deployed for a variety of industrial applications, including combined heat and power, as well as for pipeline and gas storage operations.**

Increasing our research and development funding by external sources year over year

We partner with research centers worldwide on projects that scale up the energy solutions of tomorrow, often joining with our customers to create diverse consortia that include academic institutions, government and the private sector. We also aim to build on our technology by developing new products and patents that keep us at the forefront of the competitive market.

Government grants for research, development and deployment are an important indicator of our success in leveraging these opportunities. In 2023, we received more than triple the amount of grant awards over the prior year where Baker Hughes was either a primary or sub-recipient on a project.

We are also involved in a number of projects where we do not receive funds but are providing a share of the total cost to support their success.

Physical risk management

A comprehensive and robust physical risk assessment program is important to satisfy the requirements of governments and regulatory bodies in a growing number of countries. This assessment enables informed decisions on where and when to allocate our capital and resources to prevent or mitigate the impact of climate change.

Our physical risk assessment determines risks related to specific weather perils and financial exposure for all Baker Hughes facilities worldwide. In addition, we determine risk of business disruption for selected sites of our critical suppliers. We highlight the risk of severe weather events for 10 diverse types of weather using Jupiter ClimateScore™ predictive climate data analytics, according to three scenarios: RCP2.6, RCP 4.5 and RCP8.5 by Intergovernmental Panel on Climate Change's (IPCC) fifth revision of projected socioeconomic global changes scenarios (IPCC SSP5). We then specifically modeled potential losses related to damages, business disruptions and productivity losses for the four most impactful weather perils: flood, wind, extreme heat and wildfires between 2020 and 2050.

In 2023, our sustainability and digital technology experts collaborated to automate the physical risk assessment and develop data extraction and visualization tools. Simultaneously, we also provided insights and training to Baker Hughes' functional managers to help them access the rich information provided by the analyses and promote its use.

For our operational footprint in 2050, we estimate average annual maximum losses of approximately $49.1 million in damages, $165.9 million in business disruptions and $10.4 million in productivity losses based on a greater than 4°C IPCC climate scenario (SSP5-RCP8.5), with total maximum exposure of $225.4 million, compared to $197.8 million in 2020, a 14.0% increase. Higher risk exposure in 2050 is driven by the rising probability of extreme weather events or their increased severity for some locations in the next 30 years.

Detailed weather risk profiles and related financial exposure calculations are available for every single facility, country, business segment and product line. We incorporate the results of this assessment into our enterprise risk management, business continuity and facility response planning, prioritizing our mission critical sites and sole source suppliers in locations with moderate to high risk of losses related to weather perils. Furthermore, the data is beneficial in mid- and long-term strategic business planning, helping to identify and mitigate risk exposures to our infrastructure and logistics. Data is also harmonized with our environmental impact investment decisions and we are starting to incorporate it in due diligence for mergers and acquisitions to ensure that we are managing cost and risk using all available information.

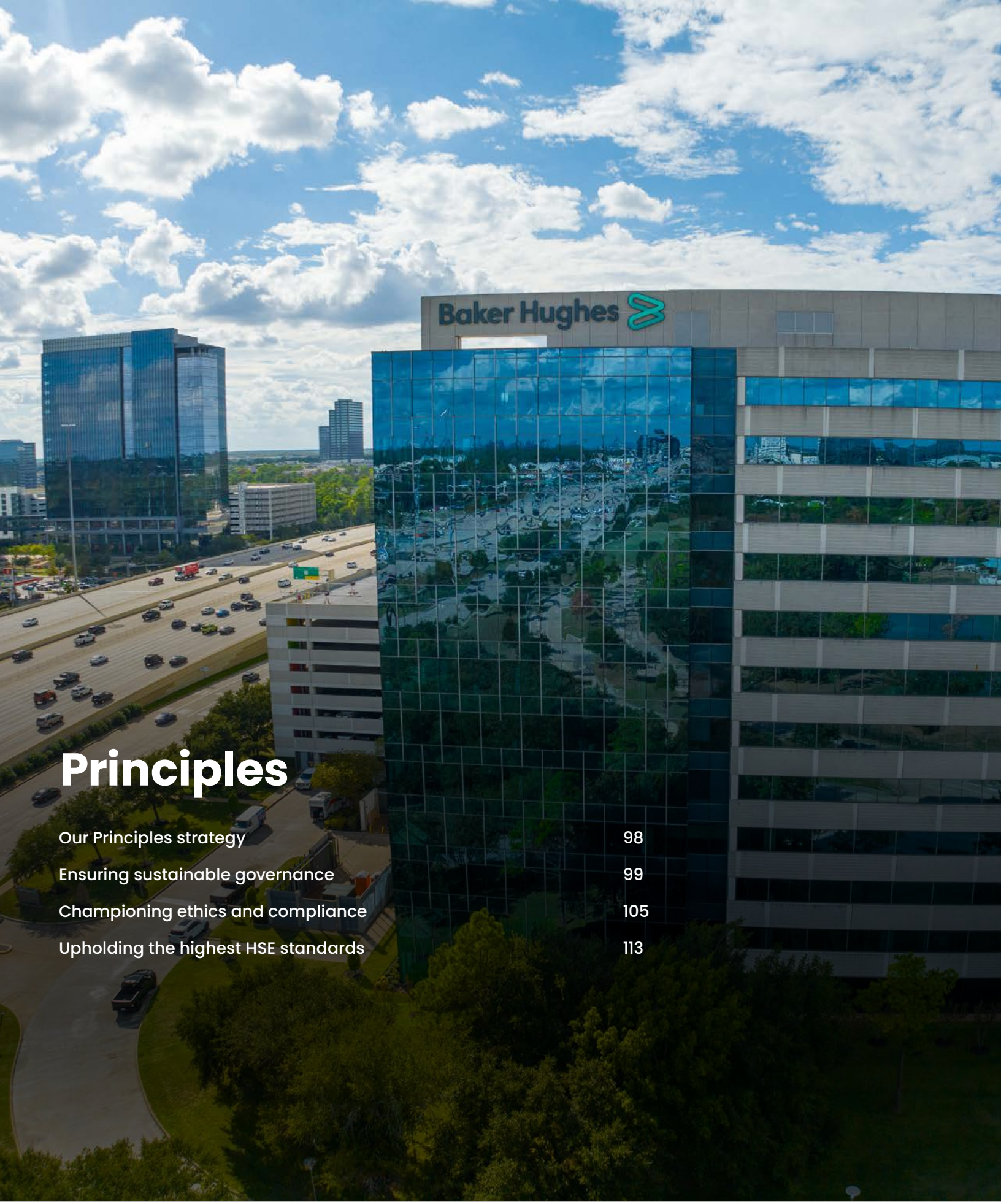
Transition risk and opportunity

Transitioning to a lower carbon economy requires extensive policy, legal, technology and market changes. There is increased focus from governments and our customers, investors and other stakeholders on climate change, sustainability and other energy transition matters. Concerns and perceptions of 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 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 fuel-related industries may adversely affect liquidity and access to capital.

The transition risk assessment derives estimated financial impact on our business from modeled portfolio responses to three energy market scenarios as published by the International Energy Agency: the 1.5°C Net Zero Emissions by 2050 Scenario, the Announced Pledges Scenario and Stated Policies Scenario. These scenarios lay out three distinct trajectories for future energy markets based on different adoption speed for the reduction of anthropogenic GHGs. When applied to our existing portfolio, these might drive wide revenue impacts across different businesses.

The analysis also provides better understanding of new markets and helps estimate yield potential from future portfolios. While we recognize the potential for transition risk, we are resolved to play a key role enabling an orderly low carbon transition. Our future success may depend upon our ability to effectively execute on our energy transition strategy, including our capacity to develop additional innovative technologies and work with customers and partners to advance our new energy portfolio such as CCUS, hydrogen energy, geothermal and other integrated solutions. If the energy landscape changes faster than anticipated or faster than we can transition, or if we fail to execute on our energy transition strategy as planned, demand for our technologies and services or access to capital could be adversely affected.

In the long-term scenario, we predict that our existing portfolio will generate growth under the Stated Policies Scenario, accompanied by increasing revenue contributions from our energy transition portfolio. We also estimate that any potential material declines in revenue from our current portfolio under the Announced Pledges Scenario or the Net Zero Scenario can be mitigated by revenue growth from our energy transition portfolio.



Principles

Our Principles strategy

What's new in 2023

In the following sections, you will read about actions we've taken to advance our Principles strategy as well as some of the impactful initiatives to show our progress. Some headlines, that will be covered in more detail include:

We established the Global FRAME (Fit for Remote Assignment Medical Exam) and Malaria Prevention Program, which are designed to reduce risk by keeping our employees healthy and able to deliver our services and products for our customers.

Results from our human rights survey with our suppliers indicated that more than 90% of respondents align with the Baker Hughes supplier code of conduct.

We enhanced existing processes for recording and monitoring the resolution of human rights grievances.

As a company, we are committed to delivering on our corporate strategy ethically and sustainably to instill trust in our employees, customers, shareholders and local communities. To deliver on this promise, we must be transparent in the challenges we face and how we mitigate them. Since the release of our Principles strategy in 2022, we have endeavored to uphold the highest health, safety and environmental standards while championing compliance and ethics throughout our business. We must continue to do our part to lead with integrity, foster a culture of transparency and take energy forward.

This is why we incorporate strong governance practices that identify our key challenges and the controls we have in place to mitigate risks.

Goals *what we aim to deliver*	**Objectives** *how we will deliver success*	**Strategic Outcomes** *how we will track progress*
Drive a culture of transparency and integrity — doing the right thing beyond compliance	Champion **compliance** and ethics	• 100% of targeted personnel training annually on human rights policies and procedures • Specialized human rights training completed for >80% SSRP auditors and sourcing by 2025
	Ensure sustainable **governance**	• Process to record, track and monitor human rights grievances in place Q1 2024 • 100% completion of annual Board training and select executive staff for ESG-related topics • Align annual executive compensation to ESG outcomes by 2025 • 100% of employees including governance body members completed Code of Conduct training annually by 2024
Take energy forward responsibly and with integrity and transparency	Uphold the highest **health, safety and environmental** standards	• Total Recordable Incident Rate <0.3 • All Perfect HSE Days • *Active suppliers assessed for environmental criteria every three years • 90% of SSRP audit red-flag findings closed within 90 days
	Strive for principled, diverse and inclusive **supply chains**	• 90% completion rate for SSRP planned audits • *80% of suppliers agreeing to BH Integrity Guide by 2030

Figure 5-1: Sustainability Principles Strategy

*As defined by SSRP criteria

Ensuring sustainable governance

Corporate governance

Our framework for corporate governance is set forth in our Governance Principles, committee charters and our Fifth Amended and Restated Bylaws, which can be found on our website.

Our Governance Principles provide guidelines for Board matters, including the leadership structure of the Board. Written charters for the Board's Audit Committee, Human Capital and Compensation Committee, Governance and Corporate Responsibility Committee and Finance Committee describe the roles and responsibilities of each committee.

Our Board of Directors

The Board of Directors for Baker Hughes Company sets high standards for the Company's officers, directors and employees, to do the right thing beyond compliance. These standards include our Code of Conduct, policies and procedures. Strong corporate governance is the cornerstone of our strategy and helps guide our we do business in a principled, ethical way that our investors can trust. The duty of the Board is multifaceted. The Board serves as a prudent fiduciary to maximize shareholder value, champion compliance and ethics and ensure sustainable governance of the Company's business. In addition, our Board of Directors believes that safety, health, integrity, compliance and human rights are foundational elements of our culture, driven by our core values to grow, collaborate, lead and care.

Operating responsibly and with accountability to serve the best interests of our stakeholders requires sound corporate governance. Our Board recognizes that minimizing environmental impacts of our operations, fostering employee engagement and respecting human rights by creating an environment of respect, integrity and fairness for our employees and customers wherever we do business — is fundamental to the long-term success of our Company.

The Board has adopted and adheres to corporate governance practices, which the Board and management believe promote transparency within the culture of our Company and represent best practices. Both the Board and management recognize that the long-term interests of shareholders are advanced by responsibly addressing the concerns of stakeholders and interested parties including employees, customers, suppliers, communities, government officials and the public at large.

Our Board exhibits a broad mix of skills, experience, diversity and perspectives, collectively demonstrating leadership and a substantive understanding of our strategy as an energy technology company. Our directors' sustainability expertise includes direct experience with human resources and talent development, legal and corporate governance issues, environmental and safety regulations, along with risk oversight including cybersecurity, finance and operations. Our Governance and Corporate Responsibility Committee, which recommends director candidates for annual election, evaluates the composition of the Board annually and identifies desired skills, experience and capabilities. The committee strives to maintain a board with varied expertise and perspective and one that reflects diversity, including but not limited to gender, ethnicity, background and experience.

As part of our sustainability strategy, our Board of Directors received ESG-specific training in 2023 to further enhance their knowledge and understanding of evolving ESG matters. Our director education program assists Board members in fulfilling their responsibilities. In addition to the onboarding program, directors are provided ongoing education through in-depth presentations on topics such as strategy, operations, the energy transition, cybersecurity, ESG-related issues, enterprise risk management, DEI and legal and regulatory matters. These presentations can be from management or with outside experts as needed. The Board periodically holds Board meetings at facilities or other sites important to the business where directors engage with employees in a more informal setting. Directors are also encouraged to attend third-party educational programs and training.

Board of Directors management meetings

Meetings of the Board are scheduled quarterly each calendar year, at which it reviews and discusses the performance of the Company, its plans and prospects, as well as immediate issues facing the Company. Directors are expected to attend all scheduled Board and committee meetings and the annual meeting of shareholders.

In addition, the Board has established the following committees to assist the Board in discharging its responsibilities and general oversight of management, including:

- **Audit Committee**
- **Finance Committee**
- **Governance and Corporate Responsibility Committee**
- **Human Capital and Compensation Committee**

The responsibilities of these committees are available in our Proxy statement.

Contacting the Board

To provide our shareholders and other interested parties with a direct and open line of communication to our Board, shareholders may communicate with any member of the Board, including our independent lead director, the chair of any committee, or with the non-management directors of Baker Hughes as a group by sending such written communication to our Corporate Secretary, c/o Baker Hughes Company, 575 N Dairy Ashford Rd, Suite 100, Houston, TX 77079, United States or by email at boardofdirectors@bakerhughes.com.

L to R: Chika Kejeh, Senior Finance Manager - Investor Relations | **Sorani Montenegro,** Staff Engineer, Systems, Product Design and Engineering

Governance of sustainability

The Board's Governance and Corporate Responsibility Committee has oversight responsibility of our environmental matters including monitoring our sustainability strategy and initiatives and management of sustainability-related risks. The Governance and Corporate Responsibility Committee receives regular reports from management on the Company's environmental, health and safety, corporate responsibility and sustainability activities and risks, including progress on our net-zero emission goals and execution, our scope 3 framework, our ESG reporting frameworks and ESG ratings. The Governance and Corporate Responsibility Committee also oversees the publication of this report.

The primary responsibility for developing, managing and executing our sustainability strategy rests with our management team. Our CSO oversees our sustainability strategy and chairs our Sustainability Steering Team. The Steering team works with subject matter working teams to manage our sustainability priorities, set goals, monitor our progress and coordinate our sustainability reporting. We also have a formalized sustainability management structure with designated executive sponsors, including the Chief Legal Officer, the Executive Vice President of People, Communications and Transformation and the Senior Vice President of Enterprise Operational Excellence that report to the Chairman of the Board and CEO. Additionally, we have created a legal sustainability group that collaborates with the CSO to embed the developing ESG legal obligations into policies and to promote effective implementation.

On a working level, sustainability is driven by a unified approach, across all functions and both segments, working with our People, Planet and Principles teams to operationalize sustainability. The actions of these teams are described within this report.

So that everyone at Baker Hughes is responsible for sustainability, we plan to align annual executive compensation to ESG outcomes by 2025. We have a strong stated and demonstrated commitment to reduce scope 1, 2 and 3 carbon emissions over time, alongside many additional ESG-related objectives. The ESG-related metrics included in our short-term incentive plan, as discussed and approved by the Human Capital and Compensation Committee each year and socialized with many of our investors during biannual engagement sessions, including HSE-related goals, DEI representation goals across multiple employee groups and scope 1 and 2 emissions reduction goals relative to our 2019 base year. Also included is development of the scope 3 emissions reduction roadmap for our internal scope 3 emissions reduction goal. Additional information can be found in our proxy filings.

Oversight of energy transition strategy and initiatives

Audit Committee

- ESG disclosure in SEC filings
- Human rights concerns
- Cybersecurity
- Supplier audit program

Finance Committee

- ESG investments
- Investor relations

Governance and Corporate Responsibility Committee

- Corporate Sustainability Report
- ESG reporting standards/metrics
- HSE program
- Human trafficking
- ESG policy/regulatory updates
- Charitable giving
- Political contributions
- Board composition and governance

Human Capital and Compensation Committee

- DEI
- Compensation tied to ESG
- Competitive benefits and compensation
- Talent retention
- Succession planning
- Training and development
- Talent planning/culture for energy transition

Buffering sustainability risks through our Enterprise Risk Management process

We identify risks to our strategic and business objectives utilizing an effective ERM process — a risk-based management and continuous monitoring program that is aligned to the business cycle, leading to more informed decision-making and building resilience across the organization.

Our ERM process includes an annual risk review with representatives of business segments and various functions to proactively identify and monitor key risks and opportunities that have significant potential to affect our business or strategy.

Key risks are rated according to probability, impact and preparedness. Those that are identified as material require enhanced monitoring and improvement efforts.

The top identified risks are reviewed with executive leadership for validation and alignment. Executive sponsors are assigned to the top risks and key risk indicators and mitigation actions are established. The ERM Steering Committee has oversight over the ERM program and can recommend further analysis or, in some cases, specific improvements to strengthen the Company's safeguards.

The ERM program is reviewed annually by the Board of Directors and the top ERM risks are reviewed via various committee meetings.

Given the interconnectedness of key risks, the ERM team works closely with risk champions across various levels of the organization to introduce, support and promulgate risk management behaviors and to ensure an integrated approach to risk management.

Fabrizio Paone, Senior Engineer, IET

Tax

We are committed to ensuring compliance with tax requirements worldwide and to maintaining an open and constructive relationship with tax authorities. We have zero tolerance for tax evasion and maintain procedures to prevent the facilitation of tax evasion.

We recognize that, among our duties to our shareholders, we have an obligation to pay no more tax than is due under the laws and regulations of countries in which we and our subsidiaries operate, in accordance with rules set by governments.

In 2023, we reported net income tax paid, net of refunds, to governments totaling $595 million. Our income tax payments are disclosed as part of our audited financial statements. Our United Kingdom tax strategy is publicly available and can be found on our website.

The Chief Tax Officer is responsible for implementation of our tax strategy, reporting directly to the Chief Financial Officer. The Chief Tax Officer is supported by a team of internal tax professionals based in primary operational locations.

We understand that sometimes there is more than one tax outcome in commercially motivated transactions. However, we do not willfully engage in tax schemes nor structure transactions in such a way that our tax team considers the transactions contrary to the clear intentions of the tax legislation concerned.

Tax incentives and exemptions are sometimes implemented by governments and fiscal authorities in order to support investment, employment and economic development. Where these exist and are applicable to our business, we seek to apply them in the manner intended, taking external professional advice where necessary.

We monitor changes in tax laws and tax practices to manage tax risk. This is a key area of focus of our in-house tax professionals with regular training from both in-house subject matter experts and external advisors, to train staff on the skills to identify and address tax risks. Knowledge is shared among the tax group with the discussion of relevant tax technical information.

Our approach to cooperation and transparency is beneficial to our stakeholders and investors, as well as to the governments in countries in which we do business. Transparency initiatives, such as Advanced Pricing Agreements (APAs), promote several advantages to governments, including access to business information and strategies as well as efficient staffing of audit resources. We have several APAs in process with key jurisdictions where we operate.

We strive to achieve low-risk designations, which allows us to focus the resources of our tax organization on material transactions and ensure effective and efficient ongoing tax compliance. Pursuant to U.S. Generally Accepted Accounting Principles, companies typically are required to establish relevant tax reserves to cover instances where tax positions are uncertain, subject to audit or under dispute. We expect our ongoing efforts to engage in broader transparency with tax administrations to result in lower tax reserves over time.

Tax continued

It is our policy to be compliant, transparent and proactive in interactions with tax authorities. Where appropriate, we will engage with tax authorities to assist with the shaping of future legislation and tax policy. We will make fair and accurate disclosures in correspondence and returns and respond to queries and information requests in a timely manner.

Where disputes arise with tax authorities, in areas of doubt or where legal interpretations differ, we endeavor to address the matter promptly, provide support for the position taken and resolve it in a responsible, open and timely manner.

Questions or concerns about issues related to tax can be reported through:

- **our public website reportconcerns.bakerhughes.com**
- **or by calling 1-800-288-8475 (toll-free, U.S. only)**

The tax department plays a critical role in delivering value for the organization in four key areas of our sustainable development strategies: funding initiatives through grants, credits and discretionary incentives; understanding how to unlock value in indirect tax, property tax and excise tax; identifying value chain opportunities; and evaluating mergers and acquisitions through a sustainable business value lens.

Tax can provide guidance on how to claim and utilize grants, credits and discretionary incentives. The United States' Inflation Reduction Act's energy transition-related provisions highlight the tax function's key role in advancing decarbonization goals and related investments in our sustainable development strategies.

Championing ethics and compliance

Ethics and Compliance

We have a leading global ethics and compliance program, which is designed to prevent, detect and appropriately respond to potential violations of law, our Code of Conduct and other Company policies and procedures. We believe this commitment to integrity across the entire organization is fundamental to running a sound, successful and sustainable business. Employees are encouraged to report any ethics or compliance concerns and can do so via a global network of trained employee ombudspersons; a dedicated website where employees can raise concerns anonymously; and a worldwide, 24-hour integrity helpline operated by a third party and available in approximately 150 languages. We recently complemented our formal compliance training program with monthly campaigns intended to reinforce key messages about open reporting and other key integrity topics, including anti-bribery and anti-corruption awareness.

Our Code of Conduct, approved by our Board of Directors, governs our behavior. Our compliance team, led by our Chief Compliance Officer, is tasked with the operationalization of the Code of Conduct.

In order to drive a culture of transparency and integrity, our people are our compliance champions. In 2023, as a best practice, our Code of Conduct was reviewed and updated to reinforce our unified company culture of "One Baker Hughes." Our goal is to equip our employees with the proper tools required to make principles-based decisions. Throughout the year, we leveraged working groups to capture input from the greater Baker Hughes organization along with external benchmarking to identify best practices. The new Code of Conduct sets forth the cultural integrity expectations that serve as the foundation for our sustainability framework, including People, Principles and Planet and our strategic business objectives as an energy technology company. Having sustainability embedded within our Code of Conduct is a critical step to weave sustainability more deeply into our culture.

Emerging legal risks, such as modern slavery, were also incorporated to define our stance against moral hazard. To emphasize our messaging further, our CEO reinforced his expectations of Baker Hughes employees in his address to our employees in our Code of Conduct.

Our 3-in-1 Code of Conduct training equips our employees with the knowledge to judge the moral legitimacy of their decisions and apply our core values in business decision-making processes.

Employees, including senior leaders, are required to annually complete online training on our Code of Conduct, which includes training segments on policies and procedures for human rights, anti-corruption, data privacy, cybersecurity, conflict of interest, trade compliance and other compliance topics. Our Board of Directors also annually certify to our Code of Conduct. In 2023, 99.0% of governance body members and 97.5% of the entire employee population completed the annual Code of Conduct training. As part of our objective to champion compliance and ethics, each year we aim to reach 100% of our employee population, including governance body members, completing the Code of Conduct training.

In addition, the compliance program executes monthly awareness campaigns on timely and current compliance topics facing the Company, the industry or the market. *Integrity Moments* are used by our people leaders to reinforce governance policies and messaging from our executive leaders on compliance during internal and external meetings. We maintain an online library of *Integrity Moments* available to all employees.

Silvia Sarti, Operations Leader, IET

Spotlight on progress

Strive for principled, diverse and inclusive supply chains

Strategic Outcomes: Active suppliers assessed for environmental criteria every three years; Supplier Social Responsibility audit red-flag findings closed within 90 days; completion rate for SSRP planned audits; suppliers agreeing to BH Integrity Guide by 2030

Business Need: Our SSRP program helps us monitor our supply chain and address concerns in a timely manner. Ensuring integrity within our supply chain helps our business maintain a high level of accountability for our stakeholders. Governments across the world are beginning to pass new legislation requiring companies to identify, prevent and address the adverse impacts of their activities on human rights, the environment and good governance throughout their supply chains. These types of legislation aim to promote responsible business conduct and contribute to sustainable development goals. As part of our sustainability strategy, we will be implementing specialized human rights training for our SSRP auditors and sourcing team by 2025. Last year, our 2022 CSR set forth aggressive goals for our supply chain organization.

Impact: Our SSRP is intended to set standards for and monitor compliance of HSE performance, ethical conduct relating to human rights, fair treatment of workers and security. In addition, the program seeks to prevent, detect and appropriately respond to any potential violations of the law or Company policies. By 2030, we aim to have 80% of our suppliers agreeing to our Supplier Integrity Guide or equivalent. In the third quarter of 2023, we launched a human rights survey to gain further insights from our supply chain.

Thus far, more than 90% of respondents align with Baker Hughes' Supplier Code of Conduct. As a part of the SSRP, all new direct material suppliers are screened and assessed for social risks. Suppliers flagged as "high-risk" in these topics are further audited. If we find a supplier in violation of the responsibilities outlined in the Baker Hughes Supplier Integrity Guide, we suspend business relationships with them immediately. As of December 31, 2023, we achieved our goal to have a 90.0% of SSRP audit red-flag findings closed within 90 days.

Throughout our supply chain, it is our goal to do business in the communities where we operate. Our local spend is the procurement dollar amount spent with suppliers local to the operation. During the calendar year, our annual local spend with Tier 1 suppliers was steady at 80.0%.

Baker Hughes is part of a broad global supply chain and we aim to ensure the suppliers we work with adhere to high standards. As a major equipment manufacturer and service provider, we continue to raise the bar of our industry & supply chain through our policies and programs. Our Supplier Integrity Guide governs key aspects of our relationships with suppliers, contractors, consortium partners and consultants.

Sustainability Support Center

As we continued to better understand our customers' needs and meeting the increasing demand for verified ESG data, we continuously focus on enhancing our Sustainability Support Center (SSC) since its establishment in 2021. The SSC is our one-stop shop for internal employees to request ESG information. Through our SSC, we provide investor-grade data to drive quality decision making, enable collaboration with our customers and reduce risk within the Company.

The SSC allows us to provide verified data to assist in bids, tenders and projects, as well as to fulfill other customer and stakeholder requests that come in via our employee base. Additionally, all emissions claims, such as reductions from operations, progress towards net-zero goals or emission reductions associated with a product or service, must be reviewed and validated by the SSC.

In 2023, we received nearly 600 internal requests for topics including ESG management, social risks, emissions, emission reduction initiatives, supply chain, policy requests, ISO certification, non-discrimination policies and disclosures for our customers. Each request is received by our team of subject matter experts, who are uniquely trained to provide verified data or qualitative responses. Following a rigorous vetting process, our team is able to remit timely responses.

The SSC provides a key support service to our operating segments by verifying emissions reduction claims related to our specific products. In its second year of service, we leveraged our LCA tool across all products lines to drive the quantification and analysis of the estimated cradle-to-grave CO_2e emissions impact of our products and services. As we continue to develop tools and platforms to better quantify the emissions related to our products and services, we also empower our customers in their net-zero journey with integrity.

Spotlight on progress

Supply chain and human rights

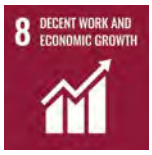
Strategic Outcomes: Achieve 100% of targeted personnel trained annually on human rights policies and procedures; specialized human rights training completed for >80% SSRP auditors and sourcing by 2025; process to record track and monitor human rights grievances in place in Q1 2024

Business Need: Several jurisdictions increased mandatory reporting requirements for human rights due diligence. We took steps to further clarify our human rights expectations for our direct suppliers in the Supplier Integrity Guide and enhanced our own due diligence assessments to drill deeper into specific human rights risks.

Impact: In 2023, we continued to enhance our human rights governance program. We identified a human rights program lead and a multifunctional human rights working group to guide the operationalization of our human rights program. We further developed processes for recording and monitoring the resolution of human rights grievances.

We provided our direct suppliers training on human rights issues and the process of conducting due diligence within their own supply chains. We also engaged with the Responsible Minerals Initiative to address the potential for systemic human rights issues further up the supply chain.

Supporting UN SDGs:



In support of UN SDG target 8.7: Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers and by 2025 end child labor in all its forms.

How to report a concern:

a. by calling 1-800-288-8475 (toll-free, U.S. only)

b. by emailing bakerhughes.Ombuds@bakerhughes.com

c. Baker Hughes Compliance and Ethics Reporting Center website

d. 575 N Dairy Ashford Rd, Suite 100, Houston, TX 77079 United States

Open reporting and consultation

We believe that a culture in which all employees maintain the highest levels of integrity, conduct business in a professional manner, treat one another with dignity and respect and support open communication without repercussions creates a better and more productive work environment.

Employees and other stakeholders have several ways to raise compliance concerns and they are encouraged to report any ethics or compliance matters. We have a zero-tolerance policy against all retaliation. Our Fair Employment Practice policy prohibits retaliation against an employee for raising a concern about a potential violation of policy or law. Reporting mechanisms include raising a concern with their direct manager; a global network of Ombuds; a dedicated website where employees can report concerns and anonymize if desired; and a worldwide, 24-hour helpline operated by a third party that is available in approximately 150 languages. All concerns raised are investigated and treated confidentially.

We take all allegations regarding our Code of Conduct, our policies and the law seriously. We investigate allegations with a rigorous and disciplined investigation process that drives consistency in process and in application. In 2023, we created Segment Disciplinary Review Committees that manage the implementation of disciplinary measures involving the potential of termination to ensure there is fair and consistent discipline applied on a global basis within the Company.

Anti-bribery and anti-corruption

In addition to our Code of Conduct training, which is aimed at preventing unethical behavior, we employ additional measures to monitor and mitigate high-risk areas. Our Code of Conduct includes a summary of our global anti-bribery and corruption policy, which prohibits bribery and facilitating payments in all business dealings, including with governments, employees of state-owned companies and private sector entities. We have internal controls to address bribery risks, including online and live trainings in countries where we operate and policies addressing compliance-sensitive activities, such as travel, expenses, charitable donations and transactions with third parties, including channel partners.

For our ERM process, leaders from each business segment and functions hold workshops each year to discuss and assess compliance risks and deploy risk mitigation plans. In 2023, our two business segments, comprising 100% of our operations, were assessed for risks related to compliance. Relevant risks identified as part of this process include bribery and corruption risks within our value chain.

Supporting UN SDGs:

In support of UN SDG target 16.5: Substantially reduce corruption and bribery in all their forms.

Human rights

Human rights are fundamental rights and freedoms to which every individual is equally and inalienably entitled. We recognize human rights as a universal obligation to uphold and a core principle to our business practices. As a signatory of the UN Global Compact (UNGC), we are committed to advancing the Ten Principles of the UNGC and the SDGs.

Our Human Rights Policy applies to all employees, business partners, vendors, suppliers and contractors. This policy is informed by the UN Guiding Principles on Business and Human Rights and our Code of Conduct. It is supported by a framework of policies and guidelines, setting forth the expectations that we do what is right and safe, considering the well-being of our people, suppliers, customers, communities and environment.

We integrate onboarding, training, management, due diligence and reporting systems to identify, prevent, mitigate and take prompt corrective action where appropriate to address identified compliance issues. Due diligence tools we rely on include, but are not limited to, legal and regulatory compliance reviews and supplier audits. When adverse human rights impacts are identified relating to our business activities or from linkages to our operations, we are committed to taking timely and transparent action, including appropriate steps, where relevant, to remediate them in a fair and equitable manner. Grievance mechanisms are available for individuals across our value chain. Confidentiality is respected and individuals may choose to remain anonymous.

Stefano Vanghi, Team Leader - Testing and Qualification, IET

Our human rights pledge

A human rights program lead was appointed in 2023, adding leadership to our human rights governance. To aid in the operationalization of our human rights program, we also established a multifunctional human rights working group. Furthermore, we enhanced existing processes for recording and monitoring the resolution of human rights grievances.

With the increase in mandatory reporting and human rights due diligence requirements in several jurisdictions, we focused on our supplier diligence policies and practices. We further clarified the human rights obligations for our direct suppliers in our Supplier Integrity Guide and enhanced our own due diligence assessments to drill deeper into specific human rights risks. We provided our direct suppliers training on human rights issues and on the process of conducting due diligence within their own supply chains.
We also engaged with the Responsible Minerals Initiative to address the potential for systemic human rights issues further up the supply chain.

We commit to responsible business practices, high standards of integrity and ethical conduct, compliance with all applicable laws and respect for the rights and dignity of all people. We respect human rights as expressed in the International Bill of Human Rights and the fundamental conventions of the International Labour Organization Declaration on Fundamental Principles and Rights at Work. If there is a conflict between internationally recognized human rights and national laws, we will follow processes that seek ways to honor the principles of international human rights.

The importance we place on respecting human rights is reflected in the fact that human rights are incorporated into our sustainability strategy, underpinning our commitment to integrity and ethical conduct.

We prohibit slavery, servitude, forced and compulsory labor, human trafficking and child labor — collectively "modern slavery." We prohibit discrimination or harassment against any employee or applicant based on race, color, religion, national or ethnic origin, sex (including pregnancy), sexual orientation, gender identity or expression, age, disability, veteran status or other characteristics protected by law (see our Fair Employment Practices Statement available on every vacancy announcement).

We seek to provide a work environment free from all forms of harassment and bullying, including sexual harassment and furthering workplace health and safety.

We respect the freedom of association and the right to collective bargaining.

We respect individual privacy rights and commit to processing, collecting, handling and protecting personal information responsibly, in compliance with applicable privacy and information security laws, our Data Privacy Policy and related policies, guidelines and notices.

We respect the human rights of local communities, including vulnerable, marginalized and indigenous groups. Our businesses engage with communities, customers, local governments and other key stakeholders to integrate local considerations into operational plans. In instances where local communities may be adversely impacted by our activities, our businesses are supported by functional teams and processes which work to manage and mitigate potential impacts on public well-being.

Commitment at Baker Hughes

We consistently endeavor to serve as a role model for high ethical conduct and to promote a culture of responsibility, sustainable development and respect for human dignity throughout our global operations and value chain. We place integrity first and value the trust of our employees, customers, business partners, suppliers, contractors, vendors and the broader communities we operate in and serve. Compliance with high ethical standards, good business practices and respect for local laws and regulations is a cornerstone of developing and sustaining this trust.

Consistent with our longstanding principles, we stand firmly against all forms of exploitation including slavery, servitude, forced labor, child labor and human trafficking – collectively "modern slavery." We have and will continue to take measures to prevent and detect modern slavery and other human rights abuses in our operations and our supply chain.

(Please continue to read the remainder of our Modern Slavery Act Statement for more information.)

Erica Scrinzi, Senior Team Leader
Materials Science, IET

Data privacy and cybersecurity

We respect rights to data protection and privacy. In 2023, we had three identified leaks, thefts, or losses of customer data and three substantiated complaints received concerning breaches of customer privacy.

We maintain cybersecurity and digital trust, including data privacy, data governance and data protection compliance programs, aimed at protecting our systems and information, complying with relevant laws and regulations and maintaining a high level of trust. Our programs are focused on building digital trust through sound oversight of cybersecurity and data privacy protections and the responsible use of data and technology.

We protect our digital systems and data through a comprehensive cybersecurity management program and we operate an integrated Cyber Fusion Center to coordinate resources, reduce incident response time and shift toward a proactive cyber-defense model.

Oversight responsibilities for our cybersecurity and digital trust compliance programs and risks lie with the Audit Committee of our Board of Directors. To emphasize the Board's commitment to cybersecurity, Director Rice obtained the National Association of Corporate Directors' CERT Certificate in Cyber-Risk Oversight in 2023. The Board recognizes the rapidly evolving nature of cyber threats and is committed to the prevention, timely detection and mitigation of the effects of any such incidents on the Company and our stakeholders. Our Audit Committee receives reports on the Company's cybersecurity program and developments from our Chief Information Officer and Chief Information Security Officer at scheduled Board meetings. These reports include analyses of recent cybersecurity threats and incidents across the industry, review of our own security controls, assessments and program maturity and risk mitigation status.

Our executive leadership is actively engaged in the oversight and strategic direction of our cybersecurity and digital trust compliance programs along with our risk mitigation efforts.

Incident reporting and management

Employees and stakeholders can report cybersecurity threats, data privacy incidents or other concerns through external and internal reporting channels. We have established policies and procedures for responding to cybersecurity and privacy incidents, including protocols for escalating to executive leadership, engaging external stakeholders and reporting incidents. In response to new regulations adopted by the Securities and Exchange Commission (SEC) requiring registrants to disclose material cybersecurity incidents experienced and to annually disclose material information regarding their cybersecurity risk management, strategy and governance, Baker Hughes developed a Cybersecurity Incident Checklist for SEC Materiality Assessments and Disclosures.

Cybersecurity

We leverage the United States National Institute of Standards and Technology cybersecurity framework to inform strategic direction and prioritize maturity improvement. We engage third-party security experts for risk assessments and program enhancements, including vulnerability assessments, cybersecurity tabletop exercises and internal phishing awareness campaigns. We also maintain information security risk insurance coverage. The Company has not experienced a material cybersecurity breach to date.

Spotlight on progress

Cybersecurity awareness campaigns

Business Need: We need to have cyber-conscious employees to make our organization more secure and protect us from cyber attacks.

Impact: The Cyber Security Awareness Champions Program is a group of coworker ambassadors dedicated to bringing valuable information, knowledge and tips to their respective departments to ensure our organization is cyber secure. This program is centered around the organization's awareness theme of: Know. Do. Share. These ambassadors share best practices throughout the organization to help ensure that our employees know how to spot cybersecurity risks and the best ways to protect themselves.

Privacy and digital trust compliance

Baker Hughes' Global Digital Trust Compliance Program helps ensure that business and personal information is protected and handled in accordance with applicable laws, standards for privacy, cybersecurity and information governance, our policies and applicable contractual obligations. The mandate and goal of our Digital Trust Compliance Program is to mitigate risks with a trust-centered purpose and to drive accountability for compliance business obligations and responsible use of data and technology through our Company's values, our Code of Conduct and our integrity programs. The program includes policies and procedures, enterprise risk assessment, privacy impact assessments, incident response and management, regular internal reviews, mandatory cybersecurity and privacy training and ongoing awareness campaigns for our employees to understand our policies and compliance requirements relevant to their functions.

Product security

Our product security approach spans three critical cornerstones: people, process and technology.

It is based on international standards, regulations and industry best practices, such as:

- **ISO 27001 — Information technology — Security techniques**
- **IEC-62443 suite — Industrial Network and System Security**

This holistic approach seeks to ensure that organizational and technical security measures are integrated into the product development lifecycle at all stages, from requirements specification to design, implementation, operation and maintenance. Methods and tools commonly accepted by both the security and industry communities are used to ship products free of known vulnerabilities.

Upholding the highest HSE standards

Spotlight on progress

Strategic Outcomes: Uphold the highest HSE standards; all perfect HSE days.

Business Need: We must continuously maintain a safe working environment for our employees and our customers.

Impact: Our HSE training helps to educate and maintain our employee's knowledge of safe working practices and procedures, increase awareness of risks and lower our incident rate. Our management maintains a goal of all Perfect HSE Days for our operations annually, helping to maintain vigilance for our safety culture. Measuring and analyzing impacts that reduce our perfect days enables us to reflect and improve.

We are committed to acting responsibly and promoting a healthy, secure and respectful environment for our people, customers, partners and communities in which we operate. Our HSE Management System is an enterprise-wide framework that drives continuous improvement in our performance and legal compliance across our operations globally. It includes more than 50 global operational control procedures that detail minimum requirements for managing HSE risk in our operations, which apply to all our employees, sites and operations globally, including contractors and third parties working on behalf of Baker Hughes. These policies and procedures conform to recognized ISO requirements.

Occupational safety

We strive to operate safely and responsibly to take care of our people, customers, partners, community and the environment.

Our commitment to HSE starts at the highest levels of our Company and is embedded throughout all layers of the organization. To support our safety culture, our teams are required to complete recurring training. We offer 230 unique HSE courses including foundational training required for all employees, workplace and job specific training and human-performance leadership training for managers.

We strive for everyday to be a Perfect HSE Day, one without serious injuries, accidents, or harm to the environment. 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. As part of our sustainability strategy and our objective to uphold high HSE standards, we have two objectives for HSE: to strive for our Total Recordable Incident Rate (TRIR) to be less than 0.30 and to have 365 perfect HSE days. In 2023, our year-end TRIR was 0.28 along with 199 perfect HSE days.

Data at a glance:

We saw progress on HSE engagement and training.

- Average hours of HSE training for employees increased by **17.0%** YOY (5.3 to 6.2)
- Number of leadership engagements increased by **9.5%** YOY (64,550 to 70,667)
- Number of sites certified to ISO 45001:2018 **increased by four** YOY (61 to 65)

Three of our HSE safety metrics did vary modestly YOY due to increased operational activity for our customers.

- TRIR increased slightly to **0.28** (from 0.22); however, this is still below our strategic threshold of less than **0.30**
- Number of perfect HSE days decreased by **18** YOY (217 to 199)
- Total Recordable Illnesses increased by **11** YOY (5 to 16)

Protecting air quality

We are committed to managing our air emissions aligned to industry best practices and regulatory standards. Through robust environmental practices, we aim to minimize routine air emissions and prevent emergency releases. We identify, assess, mitigate and control potential sources of air emissions from processes and operations, including both stationary and mobile sources. Where needed, we install emission-control devices, such as scrubbers, dust collection systems and paint booths to protect air quality and meet regulatory requirements.

Across our business, employees have worked to minimize the use of chemicals that may pose a threat to the environment. Our environmental procedures prohibit the use of chlorinated hydrocarbon-based solvents or ozone-depleting chemicals. We undertake an annual comprehensive survey across our operations to help us avoid the use of ozone-depleting substances. Our 2023 survey results did not identify any use of these materials, excluding refrigerants used in air conditioning systems.

Our approach to health and safety

HSE principles are embedded in everything we do and how we work — from protecting the safety of our teams, operations and the environment, to maintaining compliance with external parties, customers and regulatory requirements.

Our commitment to HSE starts at the highest levels of our Company and is embedded throughout all layers of the organization. Our Senior Vice President of Enterprise Operations Excellence is responsible for our HSE systems and standards. Everyone at Baker Hughes plays a role in driving our culture to promote a safe, clean and productive environment to protect our team, deliver for our customers and minimize our environmental impact. Continuous learning, strong leadership and ongoing dialogue are essential to this process and our leaders play a critical role. Leadership engagements are one way we do this. These required monthly sessions aim to drive accountability while providing a consistent format for leaders to engage with their teams and track progress to make improvements over time. In 2023, we increased overall engagements by 9.5% over 2022.

In 2023, we implemented additional measures for leaders including providing targeted messaging for engagements and reference materials. Expectations were reiterated to Company leadership on compliance for leadership engagements. Monthly scorecards tracking progress throughout the year were also established. In addition, we implemented an expansion of our tool to enable a wider selection of engagement categories and introduced a mobile application to efficiently record engagements in real-time while at a job site or facility.

All employees and contractors have a responsibility and are empowered to actively own HSE to ensure the health and safety of everyone around them. In 2023, we logged 1,442,048 HSE observations, a 34.5% increase in observations from the prior year.

We use a risk-based approach to determine hazards that could lead to adverse HSE impacts, or cause processes to deviate from planned results. The risk management process includes hazard identification, risk analysis and risk mitigation. The hazards determined to cause or contribute to cases of ill health during the reporting period are associated with exposure to extreme environmental temperatures and repetitive motion work activities. Governance has been updated to include a work/rest schedule for extreme heat environments and educational communications have been developed to alert the organization of the hazard and potential risk control options. The occurrence of repetitive motion musculoskeletal disorders is not common for our work, however and efforts are underway to improve occupational ergonomics for our teams.

Our HSE Management System

Our HSE Management System is an enterprise-wide framework that drives continuous improvement in performance and compliance across our operations.

We take a multi-tiered approach that enables leadership at various levels to create localized and relevant procedures. This approach allows for more detailed task-level standards and compliance with applicable obligations, including regulatory and customer requirements. All employees, including directly supervised contractors, are covered by the HSE Management System.

The management system is formally reviewed annually to identify any changes or improvements from relevant stakeholder groups, such as regulators, industry, public and business operations. Identified improvements are adopted and revisions are published and communicated to the organization. Employees are encouraged to provide feedback and request revisions or clarification at any time. If changes are made to documents, we follow a revision publication process and communicate the changes to employees.

Our HSE Management System and respective policies and procedures are certified by the recognized ISO certifications, ISO 14001:2015, Environmental Management Systems and ISO 45001:2018 Occupational Health and Safety. Depending on the business needs, for key operations, we hold individual or multi-site certifications to these standards.[16]

87 **Sites certified to ISO 14001, the international standard for Environmental Management Systems.**

65 **Sites certified to ISO 45001, the international standard for Occupational Health and Safety Management Systems.**

238 **Sites certified to ISO 9001, the international standard for Quality Management System.**

1 **Sites certified to the ISO 50001 standard, the international standard for Energy Management Systems in support of our energy-efficiency goals.**

Independent reviews are conducted through the multi-site certification process and third-party verification.

Michael Barry, Lead Chemical Engineer, OFSE

[16] Business needs may include a customer's' contractual requirements.

Training to foster a safety culture

We have an obligation to pursue all employees are trained and understand our HSE fundamentals. We have a comprehensive HSE training curriculum designed for the complex nature of our operational risk profile, enabling employees to gain technical awareness on risks and to recognize hazards. Training needs are assessed through evaluation of relevant regulations, applicable laws and risks associated with the employee's job duties. Training topics include fatigue management awareness, stop work awareness, emergency and disaster preparedness and slips, trips and falls. These trainings are deployed using our online learning system and in-person trainings are provided when required. Trainings are provided free of charge during paid working hours.

All employees are assigned required HSE training, while contractors are assigned trainings based on need identified locally, with two training activities recommended to all contingent workers. Effectiveness of training is evaluated through analysis of incident trends, audit results and employee feedback. In 2023, we offered 230 HSE courses and employees completed 641,248 HSE trainings. On average, employees spent approximately 6.2 hours per year completing HSE training and contractors spent approximately 0.9 hours.

Taking preventative measures

In addition to training, we integrate policies, programs and initiatives to protect employees from health and safety risks and hazards, while promoting the overall well-being of our employees. By strengthening our focus on learning and improvement, we aim to minimize human error, mitigate incidents and continuously improve our HSE performance. Throughout the year, we continued our emphasis on proactive prevention measures, human performance and leadership engagements to discuss risk.

Local leadership periodically reviews and assesses related data trends, communicates feedback to employees and reviews and updates operational procedures as needed. We set clear targets and regularly track and assess our progress through annual management reviews, site self-assessments completed based on site risk criteria, internal audits conducted by trained employee auditors and third-party verifications from customers and the ISO registrar.

Our risk assessment process is in place to identify, understand and mitigate impacts through proactive and preventative programs and control measures. Risks are assessed from the site or project level and include risks from transportation, material handling activities, remote/offshore operations and other higher-risk activities related to pressure, lifting and rigging, electrical and process safety.

Employees, contractors, or those directly involved with our activities are expected to stop work when conditions are unsafe and report observations, near misses and stop-work events to management. If an individual exercises their "stop work authority," activities must be stopped immediately and may resume once the issue is addressed. When incidents do occur, they are tracked in our data management system, investigations are conducted, formal incident reviews are performed and corrective actions to prevent recurrence are implemented. In addition, learnings are disseminated to targeted employee populations with similar operational risks following an incident.

We are saddened to report the loss of one of our employees who was fatally injured while conducting manual handling activities in the United States. Following this tragedy, we conducted a thorough investigation. Learnings and corrective actions were shared across the Company to ensure similar risks are addressed to prevent reoccurrence including technical and safety training, technical bulletins, vendor audits and updated standard operating procedures.

Process Safety Management

Our Process Safety Management program is aligned to industry standards and best practices aimed at preventing or mitigating events that can cause catastrophic safety or environmental consequences. The program includes training, global and business-specific procedures, risk assessments, barrier management checklists, process safety operations fundamentals, management of change, audits and threat response.

Process safety projects are ongoing within some of our operations. Process safety audits are conducted globally for performance assurance, including execution of a targeted audit strategy covering specific operational business units. The audits help ensure adoption and sustainable performance of process safety risk management across the enterprise. Learnings from incidents are used to focus on reliable execution of safety-critical tasks as a key to reducing risk as low as reasonably practicable. The Process Safety Operations Fundamentals were designed as a human-factors tool to educate, reinforce and continually remind the workforce of their importance.

Process safety events include barrier impacts and loss of primary containment events and are included in our leading and lagging performance indicators. The emphasis on leading indicators enables us to extract actionable insights from data without the impacts of high consequence events.

In addition to project-based collaboration, engagement with customers, industry and regulatory agencies occur continually to advance process safety performance through learnings and best practice sharing. Other contributions to industry include technical publications or presentations, leading sessions in forums and conferences and projects with committees and workgroups.

Aiming for zero process safety events

Our ambition to achieve zero process safety events drives our strategy and approach, which is centered around the following principles:

01

Process safety hazards and risks are understood across the Company.

02

Process safety is intrinsic to product and service delivery.

03

Sound risk mitigation is applied through operational and asset integrity.

04

Process safety is sustained through continual learning and improvement.

Giovanna Tomaselli, Shop Operator, IET

Supporting workers' health

At Baker Hughes, we believe that nothing is more important than the health, safety and well-being of our people. We believe that when we prioritize our physical and mental well-being, it empowers all of us to be our best at work and at home.

Our well-being strategy, Living Well, provides all employees and their families a wide variety of resources, benefits and learning opportunities designed to drive an inclusive culture and facilitate ownership of health and well-being. Throughout the year, we hosted events with health and wellness experts, helping to further embed wellness into leadership engagements and provided health and wellness resources and tools to all employees.

Spotlight on progress:

Living Well and Headspace

Business Need: We need to ensure our employees have mental health and well-being resources to keep them healthy and happy.

Impact: The Living Well program, aligned with our value of care, focuses on mental well-being. We believe that prioritizing our physical and mental well-being empowers us to be our best at work and at home. We understand that managing well-being is a personal process, so we aim to connect our employees with the resources they need, when they need them.

While there is no consensus around a single definition of well-being, the general agreement is that at minimum, well-being includes the presence of positive emotions and moods with the absence of negative emotions, satisfaction with life, fulfillment and positive functioning. To support our well-being, Baker Hughes offers employees free access to a limited number of premium subscriptions for Headspace, a well-being app, which is available in many languages for our workforce across the globe. Headspace provides access to content on stress management, sleep, focus, music, guided meditation, "wake up" videos and short workouts. It also has child-friendly content available to the children of our employees. A workforce with a strong well-being provides more stability for our Company and our customers.

In addition to physical and mental health, we host dialogues across the Company on how safety, security, purpose and connections at work and in the community support our overall well-being. We understand that managing one's well-being is a unique and personal process and we strive to connect employees with the resources they need, when they need them.

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. Our employee assistance program 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 to help navigate daily life, manage remote work and cope with major life events.

"Health and safety is not just about the physical well-being of our workforce; we also strive to improve total well-being and reduce the potential for psychosocial risks and embed human performance principles in how we work. Our culture is comprised of many layers including robust training, regular engagements with leadership, open and transparent reporting and governance. We embrace a learning mindset to drive continuous improvement."

— Bridget Todd, Enterprise HSE Leader

Global occupational health

Baker Hughes continued to invest in the occupational health risk identification of our workers in 2023. Our medical staff have created two programs, FRAME and Malaria Prevention Program, which are designed to reduce risk by keeping our employees healthy and able to deliver our services and products for our customers.

FRAME Program (Fit for Remote Assignment Medical Exam)

The FRAME program provides a global standard process for employees who are assigned to work offshore, at onshore remote locations, or at customer sites that have a medical clearance requirement to undergo a comprehensive medical exam to determine their readiness to work in a remote environment. The program is administered by third-party administrators who ensure quality medical providers are used, a standardized medical protocol is followed, results assessment is consistent with industry standards and medical data privacy is maintained.

Malaria Prevention Program

The Malaria Prevention Program establishes requirements for a malaria control plan (MCP) to protect personal health. The program focuses on educating and preparing employees who are traveling to malaria-risk areas and outlines prevention measures that should be taken by Baker Hughes worksites located in malaria-risk areas.

Travelers are provided ABCD education (Awareness, Bite Prevention, Chemoprophylaxis and early Diagnosis) through the travel booking process. In addition, travelers are informed about how to obtain preventive medication and supplies, personal behaviors to avoid mosquito bites and how/when to seek medical attention.

Worksites are required to have controls in place to prevent breeding grounds for mosquitoes. Site-based Malaria Control Officers assist with providing training to local employees, distributing prevention supplies to incoming employees and visitors and supporting the investigation of confirmed malaria cases.

We require customer-controlled facilities to have a Malaria Control Officer in place. Where possible, the customer should implement or support the Baker Hughes Malaria Prevention Program per the terms of the Baker Hughes and customer master contract.

FRAME has many benefits:

- **Our field employees are ready for remote assignment mobilization versus "having a certificate."**
- **Field employees are fit for remote assignment, helping to reduce possible interruptions to our services.**
- **Mobilization teams have control to schedule in advance and avoid mobilization interruptions.**
- **Health, safety and medical teams can focus on leading indicators, detecting and mitigating health risks to workers in remote assignment locations.**
- **Prevention efforts help to reduce risk and cost of health events.**

Global Disability Accommodation

Within our Global Occupational Health, medical staff have done initial work to develop policy and procedure guidance that will ensure all employees with disabilities have access to an interactive process to discuss options for reasonable accommodations in the workplace. Our employee well-being is linked to how we address matters of privacy, compliance and discrimination.

The team has been working this year to assess activities globally and to collaborate with professionals across the business to develop the necessary information and documents for people leaders, employees and candidates with regards to disability accommodation. Our discussions factor in confidentiality, worker safety, business needs and essential job functions.

Our United States Accommodation policy is based on the Americans with Disabilities Act. This new policy will enhance guidance for existing processes related to reproductive health, transitional work and travel. These documents ensure equity, consistency and resources for all who are in need.

Plans for the coming year include finalizing policy and procedure documents and communicating them to relevant leaders and employees. Future plans for the team include development of education, training and advocacy for the hiring and retention of people with disabilities.

Employee health and privacy

We emphasize the protection of personal information, including personal health data. We do not routinely house or capture personal health-related information unless required, such as vaccination status or medical accommodations. In situations where we collect personal health information, we follow strict access control and confidentiality policies including, but not limited to, our Personnel Privacy Notice and our Data Privacy Policy. All personal health information on workers is maintained through our independent and highly vetted third-party vendors that administer our benefit programs. Should any personal health-related information be collected, we have strict access control measures limiting visibility and management of data to only those required for the business process.

Juliana Magalhaes, Amauro Arsenio,
Field Service Engineers, IET

Security

We are committed to protecting our people, workplaces and operations and respecting communities globally through proactive risk-based, intelligence-led, data-driven security programs and mitigation measures. Our security team supports business segments, functions and regions, in accordance with global risk and operational structure. The security team oversees the administration, governance and implementation of the crisis management and business continuity programs through global standards and processes, training, exercises and ongoing engagement.

At the center of our security operations is the Global Intelligence and Travel Security Operations Center focused on monitoring global developments, issuing timely updates, administering the travel security program for high-risk locations and operating the emergency notification system for critical communications and operational impact.

Other priorities include monitoring global developments while educating and equipping employees to recognize, report and prevent an array of potential risks at our workplaces, while traveling or across our operations. Workplace violence, natural disasters, terrorism and broader socioeconomic or geopolitical risks are some of the potential risks monitored and managed.

Spotlight on progress

Indoor Drone Technology

Business Need: The Enterprise Security team seeks to align with Baker Hughes' sustainability goals by utilizing innovative, cost-effective solutions that decrease carbon emissions while improving efficiencies.

Impact: One area currently being assessed and trialed is the use of indoor drone technology inside some of our sites. Drone technology, which harnesses the power of robotics paired with artificial intelligence, will be utilized for intelligent monitoring of smart buildings while providing near real-time insight into security and emergency situations for improved management, control, accurate intelligence gathering, comprehensive situational awareness and more informed decision making. Subject to the trial's success, we intend to deploy additional drone technology to some of our mission-critical and higher-risk locations to protect our people.

Security personnel focus on human rights

As a signatory to the UN Global Compact, we align with the principles outlined in the Voluntary Principles on Security and Human Rights. In 2021, internal training and awareness resources were developed by our security team with the purpose of embedding these principles into our operations. Enterprise security personnel and embedded security contractors are required to complete annual training on human rights and adhere to our supplier integrity guide, which includes guidelines on human rights.

Aligned with our strategic objective, 100% of our enterprise security personnel, including full-time security personnel and embedded contractors, received training on human rights in 2023. We also incorporate principles on security and human rights into requests for proposals and tenders, to ensure all security suppliers and contractors understand and adhere to our commitments to ethical business conduct.

Appendices

Appendices

As an energy technology leader, we model leadership through excellence in sustainability performance. We strive to improve how we track, measure and report our sustainability data, following best practices for sustainability reporting. Despite the dynamic development of guidance and standards for corporate sustainability reporting, we aim to report reliable, verified investment-grade data. We are also committed to providing transparency on the quality of our data. The information contained in this report is governed by clearly defined processes and controls. Upon final review and approval of each Key Performance Indicator (KPI) and metric by process owners, the report is drafted by our Sustainability Strategy and Performance team. The report and the data it includes are then reviewed by our internal audit team. Our internal audit function follows rigorous monitoring processes mirroring financial data governance and internal auditing standards to increase the fidelity of our reporting.

Additionally, certain People and Planet metrics are subject to assurance by KPMG as discussed in their report in Appendix B.

Appendix A – Standard Alignment Tables

Our sustainability report contains metrics that are aligned to the following recognized frameworks:

- Global Reporting Initiative (GRI)
- Sustainable Accounting Standards Board (SASB) Oil & Gas Services Industry Standard - Extractives & Minerals Processing Sector
- Task Force on Climate-Related Financial Disclosures (TCFD)

Appendix B – Statements and Notes with Independent Accountants' Report

An Independent Accountants' Report precedes the related People and Planet reporting.

People:	• Statement and Notes on People Metrics
Planet:	• Statement and Notes on Greenhouse Gas (GHG) CO_2e Emissions
	• Statement and Notes on Waste

Appendix C – Stakeholder Engagement

Emmanuel Haastrup, Technician Mechanic, OFSE

Appendix A: Standard Alignment Tables

Interpreting this section

The information in the indices below show how we report in accordance with, or in some instances based on, the frameworks that apply to our industry and accepted sustainability standards. The tables below lists indicators from GRI, SASB and TCFD on which we have fully or partially reported. The information is based on the best available data at the time of publication and is subject to change. In some cases, data is estimated and is based solely on our interpretation and judgment.

Angelo Donato, Senior Engineer, IET

GRI Index

***Denotes alignment with GRI 11: Oil and Gas Sector Standard 2021**

GRI Index			
GRI Topic Standard	**Disclosure No.**	**Disclosure title**	**Location and data**
General disclosure	2-1	Organizational details	Baker Hughes Company: 575 N. Dairy Ashford Rd., Suite 100 Houston, Texas USA Form 10-K
	2-2	Entities included in the organization's sustainability reporting	Form 10-K
	2-3	Reporting period, frequency and contact point	From January 1, 2023 through December 31, 2023; Annual reporting: May 15, 2024 SustainabilityTeam@bakerhughes.com
	2-4	Restatements of information	Baseline emissions (GRI 305-1d, 305-2d, 305-3e)
	2-5	External assurance	Independent Accountants' Report, pp. 137-139
	2-6	Activities, value chain and other business relationships	a: Who we are, pp. 7-12 b: Information unavailable d: We drive innovation and technology advancement, pp. 24-26
	2-7	Employees	a and b (iv:v): People, pp. 29-61, People Performance Index, pp. 168-179 b: Information unavailable c Statement and Notes on People Metrics, pp. 140-147 d:e Our People, p. 32
	2-8	Workers who are not employees	a: Our People, p. 32 b:c Information unavailable
	2-9	Governance structure and composition	2024 Proxy Statement
	2-10	Nomination and selection of the highest governance body	2024 Proxy Statement
	2-11	Chair of the highest governance body	2024 Proxy Statement
	2-12	Role of the highest governance body in overseeing the management of impacts	Ensuring sustainable governance, pp. 99-102
	2-13	Delegation of responsibility for managing impacts	Ensuring sustainable governance, pp. 99-102
	2-14	Role of the highest governance body in sustainability reporting	Governance of sustainability, p. 101
	2-15	Conflicts of interest	Finance Committee Charter 2024 Proxy Statement
	2-16	Communication of critical concerns	Open reporting and consultation, p. 108 b: Data not available due to confidentiality constraints

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
General disclosure continued	2-17	Collective knowledge of the highest governance body	Our Board of Directors consists of corporate leaders with expertise in substantive areas that guide our corporate strategy and objectives, including our Environmental, Social and Governance (ESG) strategy. In furtherance of its responsibility to oversee the Company's position on corporate social responsibility and public issues of significance which which affect investors and other key stakeholders, the Governance & Corporate Responsibility Committee reviews the composition of the Board on an annual basis in order to ensure that the collective knowledge, skills and experience of the Board aligns with the Company's sustainability goals. In addition, the Committee recommends director candidates for annual election, evaluates the composition of the Board annually and identifies desired skills, experience and capabilities. The Committee strives to maintain a Board with varied expertise and perspective and one that reflects diversity, including but not limited to gender, ethnicity, background and experience.
	2-18	Evaluation of the performance of the highest governance body	Our Board of Directors is committed to overseeing the integration of ESG principles throughout the organization. The Board receives updates around our sustainability strategy and long-term ESG objectives on a periodic basis. While our full Board is tasked with ESG oversight, some of its committees have responsibility for certain aspects of the ESG strategy. The Human Capital and Compensation Committee reviews human capital management metrics. The Governance and Corporate Responsibility Committee oversees the Company's positions on corporate social responsibility and has been charged by the Board with oversight responsibility of the Company's environmental matters as well as assessing its sustainability strategy and initiatives, including the publication of our Corporate Sustainability report. In addition, the Governance & Corporate Responsibility Committee receives regular reports from management on the Company's environmental and sustainability priorities and risks, including progress on our net-zero emission goals and execution, our ESG reporting frameworks and ESG ratings. The Audit Committee monitors compliance, human rights concerns and ethics risks. As reflected in our Governance Principles, the Board performs an annual self-evaluation led by the lead independent director. As a component of the annual evaluation, each director is asked to provide an assessment around the effectiveness of the Board and its committees. The Board utilizes the results of its annual self-evaluation to identify areas of improvement and strengthen corporate governance practices. The Governance and Corporate Responsibility Committee monitors the process to assess the effectiveness of the Board. On a periodic basis, the lead independent director has engaged independent governance experts to facilitate the evaluation process and to identify areas.

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
General disclosure continued	2-19	Remuneration policies	a:b The Human Capital and Compensation Committee reviews the executive and director compensation each year to ensure that compensation aligns with the Company's long term strategies. Our compensation policies around executive compensation reinforce market-aligned and pay for performance compensation programs. The Human Capital and Compensation Committee has responsibility for reviewing the relationship between our risk management policies and practices, corporate strategy and senior executive compensation and assessing whether any such risk is reasonably likely to have a material adverse effect on the Company. Additional details on our Board of Directors compensation and our executive compensation policies and programs, including the process for determining remuneration, can be found in the Compensation, Discussion and Analysis section of our 2024 Proxy Statement as filed with the Securities and Exchange Commission.
	2-20	Process to determine remuneration	2024 Proxy Statement
	2-21	Annual total compensation ratio	2024 Proxy Statement
	2-22	Statement on sustainable development strategy	A letter from our Chief Executive Officer, p. 5
	2-23	Policy commitments	Championing ethics and compliance, pp. 105-112
	2-24	Embedding policy commitments	Championing ethics and compliance, pp. 105-112
	2-25	Processes to remediate negative impacts	Championing ethics and compliance, pp. 105-112
	2-26	Mechanisms for seeking advice and raising concerns	Open reporting and consultation, p. 108
	2-27	Compliance with laws and regulations	Material legal actions, if any, are reported in our Form 10-K
	2-28	Membership associations	Stakeholder engagement, pp. 164-165
	2-29	Approach to stakeholder engagement	Stakeholder engagement, pp. 164-165
	2-30	Collective bargaining agreements	Principles performance index, pp. 185-186 b: Data not available due to confidentiality constraints
Material topics	3-1*	Process to determine material topics	Materiality assessment, p. 21
	3-2*	List of material topics	Materiality assessment, p. 21
	3-3*	Management of material topics	People, pp. 29-61; Planet, pp. 62-96; Principles, pp. 97-121
Economic performance	201-1*	Direct economic value generated and distributed	Our economic impact, p. 11 Tax by country and economic value generated are not reported due to confidentiality constraints.
	201-2*	Financial implications and other risks and opportunities due to climate change	Climate change as a financial risk and opportunity, pp. 94-96
	201-4*	Financial assistance received from government	Information unavailable

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
Market presence	202-2*	Proportion of senior management hired from the local community	Information unavailable
Indirect economic impact	203-1*	Infrastructure investments and services supported	Information unavailable
	203-2*	Significant indirect economic impacts	Information unavailable
Procurement practices	204-1*	Proportion of spending on local suppliers	a: Principles performance index, pp. 185-186 b: "Local" is defined as being purchased in the same country as the location of the order issuances. c: Our significant operations are those where we conduct manufacturing, assembly, maintenance and service operations.
Anti-corruption	205-1*	Operations assessed for risks related to corruption	a: Principles performance index, pp. 185-186 All business segments assessed. Anti-bribery and anti-corruption, p. 108
	205-2*	Communication and training about anti-corruption policies and procedures	a,b,d,e: Principles performance index, pp. 185-186 Data not provided by region or employee category; data regarding business partners (205-2c) unavailable.
	205-3*	Confirmed incidents of corruption and actions taken	Data not available due to confidentiality constraints
Anti-competitive behavior	206-1*	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Form 10-K
Tax	207-1*	Approach to tax	Tax, pp. 103-104
	207-2*	Tax governance, control and risk management	Tax, pp. 103-104
	207-3*	Stakeholder engagement and management of concerns related to tax	Tax, pp. 103-104
	207-4*	Country-by-country reporting	Information unavailable
Energy	302-1*	Energy consumption within the organization	Transitioning to Renewables, pp. 72-73 Planet performance index, pp. 180-184 Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159 c: Information unavailable
	302-2*	Energy consumption outside the organization	Information unavailable
	302-3*	Energy intensity	Planet performance index, pp. 180-184 b:d Information unavailable
	302-4	Reduction of energy consumption	a:b Pioneering low carbon energy solutions to deliver value for our customers, pp. 64-73 c:d: Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159
Water and effluents	303-1*	Interactions with water as a shared resource	Water stewardship, pp. 89-90
	303-2*	Management of water discharge-related impacts	Water stewardship, pp. 89-90
	303-3*	Water withdrawal	Planet performance index, pp. 180-184 Water stewardship, pp. 89-90

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
Water and effluents continued	303-4*	Water discharge	Planet performance index, pp. 180-184 Water stewardship, pp. 89-90
	303-5*	Water consumption	Planet performance index, pp. 180-184 Water stewardship, pp. 89-90
Biodiversity	304-1*	Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	Information unavailable
	304-2*	Significant impacts of activities, products and services on biodiversity	Information unavailable
	304-3*	Habitats protected or restored	a: Information unavailable b: Protecting biodiversity and natural capital, pp. 91-92 c:d Information unavailable
	304-4*	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Planet performance index, pp. 180-184
Emissions	305-1*	Direct (scope 1) GHG emissions	Emissions are reported in accordance with the Greenhouse Gas Protocol. Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159.
	305-2*	Energy indirect (scope 2) GHG emissions	Emissions are reported in accordance with the Greenhouse Gas Protocol. Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159.
	305-3*	Other indirect (scope 3) GHG emissions	Emissions are reported in accordance with the Greenhouse Gas Protocol. Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159.
	305-4*	GHG emissions intensity	Emissions are reported in accordance with the Greenhouse Gas Protocol. Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159. a:b Information unavailable
	305-5*	Reduction of GHG emissions	Pioneering low carbon energy solutions to deliver value for our customers, pp. 64-73 Emissions are reported in accordance with the Greenhouse Gas Protocol. Planet performance index, pp. 180-184 Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159.
	305-6*	Emissions of ozone-depleting substances	Planet performance index, pp. 180-184
	305-7*	Nitrogen oxides (NO_x), sulfur oxides (SO_x) and other significant air emissions	Information unavailable
Waste (2020)	306-1*	Waste generation and significant waste-related impacts	Managing waste, pp. 81-85
	306-2*	Management of significant waste-related impacts	Managing waste, pp. 81-85 Statement and Notes on Waste, pp. 160-163

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
Waste (2020) continued	306-3*	Waste generated	Managing waste, pp. 81-85 Statement and Notes on Waste, pp. 160-163 Planet performance index, pp. 180-184
	306-4*	Waste diverted from disposal	Managing waste, pp. 81-85 Statement and Notes on Waste, pp. 160-163 Planet performance index, pp. 180-184
	306-5*	Waste directed to disposal	Managing waste, pp. 81-85 Statement and Notes on Waste, pp. 160-163 Planet performance index, pp. 180-184
Effluents and waste (2016)	306-3*	Significant spills	Transparently reducing spills, pp. 86-88 Planet performance index, pp. 180-184
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Information unavailable
	308-2	Negative environmental impacts in the supply chain and actions taken	c: Buffering sustainability risks through our Enterprise Risk Management process, p. 102 a,b,d,e: Information unavailable
Employment	401-1*	New employee hires and employee turnover	a Total number included in People performance index, pp. 169-172; rate information unavailable b People performance index, pp. 168-179
	401-2*	Benefits provided to full-time employees that are not provided to temporary or part-time employees	a Delivering total rewards for employees, pp. 43-45 b Our significant operations are those where we conduct manufacturing, assembly, maintenance and service operations.
	401-3*	Parental leave	a:c People performance index, pp. 168-179 d:e Information unavailable
Labor/Management relations	402-1*	Minimum notice periods regarding operational changes	a: We comply with local laws and collective bargaining agreements pertaining to operational changes. Notice periods vary by geography but are generally at least one month. b: Information unavailable
Occupational health and safety	403-1*	Occupational health and safety management system	Our HSE Management System, pp. 115-120 Process Safety Management, p. 117
	403-2*	Hazard identification, risk assessment and incident investigation	Upholding the highest HSE standards, pp. 113-121
	403-3*	Occupational health services	Our HSE Management System, pp. 115-120 Process Safety Management, p. 117
	403-4*	Worker participation, consultation and communication on occupational health and safety	Our HSE Management System, pp. 115-120 Process Safety Management, p. 117
	403-5*	Worker training on occupational health and safety	Training to foster a safety culture, p. 116 Taking preventative measures, p. 116

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
Occupational health and safety continued	403-6*	Promotion of worker health	Supporting workers' health, pp. 118-120
	403-7*	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our HSE Management System, pp. 115-120 Training to foster a safety culture, p 116 Process Safety Management, p. 117
	403-8*	Workers covered by an occupational health and safety management system	Our HSE management system, pp. 115-120
	403-9*	Work-related injuries	Principles performance index, pp. 185-186 Process Safety Management, p. 117 Formula for calculating Total Recordable Incident Rate: number of recordable cases, multiplied by 200,000, divided by number of hours worked. Total hours worked is calculated using factors based on job family data for each employee, such as length of shift and overtime typical of job families. Some data and non-employee information are unavailable due to confidentiality constraints and data limitations.
	403-10*	Work-related ill health	Principles performance index, pp. 185-186 Our approach to health and safety, p. 114
Training and education	404-1*	Average hours of training per year per employee	a: People performance index, pp. 168-179
	404-2*	Programs for upgrading employee skills and transition assistance programs	a:b A commitment to help our people thrive, pp. 38-42
	404-3	Percentage of employees receiving regular performance and career development reviews	a: People performance index, pp. 168-179
Diversity and equal opportunity	405-1*	Diversity of governance bodies and employees	a: 2024 Proxy Statement b: People performance index, pp. 168-179
	405-2*	Ratio of basic salary and remuneration of women to men	Information not available due to confidentiality constraints
Non-discrimination	406-1*	Incidents of discrimination and corrective actions taken	Information not available due to confidentiality constraints
Freedom of association and collective bargaining	407-1*	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Information unavailable
Child labor	408-1*	Operations and suppliers at significant risk for incidents of child labor	a:b: Information unavailable c: Human rights, pp. 109-110, Strive for principled, diverse and inclusive supply chains, p. 106
Forced or compulsory labor	409-1*	Operations and suppliers at significant risk for incidents of forced or compulsory labor	a: Information unavailable b: Human rights, pp. 109-110, Strive for principled, diverse and inclusive supply chains, p. 106
Security practices	410-1*	Security personnel trained in human rights policies or procedures	Principles performance index, pp. 185-186 Security, p. 121

GRI Index continued

GRI Topic Standard	Disclosure No.	Disclosure title	Location and data
Rights of indigenous peoples	411-1*	Incidents of violations involving rights of indigenous peoples	Information unavailable
Local communities	413-1*	Operations with local community engagement, impact assessments and development programs	Information unavailable
	413-2*	Operations with significant actual and potential negative impacts on local communities	Form 10-K
Supplier social assessment	414-1*	New suppliers that were screened using social criteria	Information unavailable
	414-2*	Negative social impacts in the supply chain and actions taken	Principles performance index, pp. 185-186 c:e Information unavailable
Public policy	415-1*	Political contributions	2023 Political Contributions Report
Customer Health and Safety	416-1*	Assessment of the health and safety impacts of product and service categories	Information unavailable
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data privacy and cybersecurity, p. 111

Index to SASB sector standards

Sector	Topic	Accounting metric	Code	Information reference
Oil and Gas services	Emissions Reduction Services and Fuels Management	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	EM-SV-110a.1	(1) Total Fuel Consumption: 5,881,343 gigajoules (2) 0% (3-1), (3-2) Data not available
		Discussion of strategy or plans to address air emissions-related risks, opportunities and impacts	EM-SV-110a.2	Pioneering low carbon energy solutions to deliver value to our customers, pp. 64-73
		Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	EM-SV-110a.3	Data not unavailable
	Water Management Services	(1) Total volume of fresh water handled in operations, (2) percentage recycled	EM-SV-140a.1	(1) Standard not applicable (2) Standard not applicable
		Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities and impacts	EM-SV-140a.2	Water stewardship, pp. 89-90
	Chemicals Management	Volume of hydraulic fracturing fluid used, percentage hazardous	EM-SV-150a.1	(1) Data not available (2)Data not available
		Discussion of strategy or plans to address chemical-related risks, opportunities and impacts	EM-SV-140a.2	Managing chemicals, p. 88
	Ecological Impact Management	Average disturbed acreage per (1) oil and (2) gas well site	EM-SV-160a.1	(1) Standard not applicable (2) Standard not applicable
		Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	EM-SV-160a.2	Protecting biodiversity and natural capital, pp. 91-92
	Workforce Health and Safety	(1) Total recordable incident rate, (2) fatality rate, (3) near miss frequency rate, (4) total vehicle incident rate and (5) average hours of health, safety and emergency response training for (a) full-time employees, (b) contract employees and (c) short-service employees	EM-SV-320a.1	(1a) 0.28 (1b), (1c) Data not available (2a) Data not available. Absolute value is 1. (2b) Data not available. Absolute value is zero. (2c) Data not available (3a) Data not available. Absolute value is 1,051. (3b), (3c) Data not available (4a) Data not available, absolute value is 218. (4b), (4c) Data not available (5a) 6.16 hours (5b) 0.9 hours (5c) Data not available

Index to SASB sector standards

Sector	Topic	Accounting metric	Code	Information reference
Oil and Gas services continued	Workforce Health and Safety	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	EM-SV-320a.2	Process Safety Management, p. 117
	Business Ethics and Payments Transparency	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-SV-510a.2	Championing ethics and compliance, pp. 105-108
	Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	EM-SV-530a.1	Climate change as a financial risk and opportunity, pp. 94-96 Stakeholder engagement, pp. 164-165
	Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	Process Safety Management, p. 117
Oil and gas exploration and production	Biodiversity Impacts	(1) Number and aggregate volume of hydrocarbon spills, (2) volume in Arctic, (3) volume impacting shorelines with Environmentally Sensitive Index rankings 8-10 and (4) volume recovered	EM-EP-160a.2	(1) 14 barrels of oil; 1 barrels of fuel (2) 0 barrels (3) 0 barrels (4) 10 barrels

Activity metrics

Sector	Accounting metric	Code	Information reference
Oil and Gas services	Number of active rig sites	EM-SV-000.A	Standard not applicable
	Number of active well sites	EM-SV-000.B	Standard not applicable
	Total amount of drilling performed	EM-SV-000.C	Standard not applicable
	Total number of hours worked by all employees	EM-SV-000.D	Data not available

TCFD Index

The following table references Baker Hughes 2023 financial and sustainability disclosures with the TCFD recommendations.

1. Governance

TCFD Recommendations	Disclosure content and references
Describe the board's oversight of climate-related risks and opportunities.	Ensuring sustainable governance, pp. 99-102 Governance of sustainability, p. 101
Describe management's role in assessing and managing climate-related risks and opportunities.	Governance of sustainability, p. 101

2. Strategy

TCFD Recommendations	Disclosure content and references
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long-term.	A letter from our Chief Executive Officer, p. 5 Climate change as a financial risk and opportunity, pp. 94-96 Form 10-K, Risk Factors, p. 16
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	A letter from our Chief Executive Officer, p. 5 A letter from our Chief Sustainability Officer, p. 6 Sustainability matters to our customers and investors, p. 23 Climate change as a financial risk and opportunity, pp. 94-96
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate change as a financial risk and opportunity, pp. 94-96

3. Risk Management

TCFD Recommendations	Disclosure content and references
Describe the organization's processes for identifying and assessing climate-related risks.	Our goal is to achieve net zero for scope 1 and 2 emissions by 2050 and to reduce scope 3 emissions by 2033, p. 64. Climate change as a financial risk and opportunity, pp. 94-96
Describe the organization's processes for managing climate-related risks.	Planet, pp. 62-96 Climate change as a financial risk and opportunity, pp. 94-96
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	Buffering sustainability risks through our Enterprise Risk Management process, p. 102

4. Metrics and Targets

TCFD Recommendations	Disclosure content and references
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	Emissions are reported in accordance with the Greenhouse Gas Protocol. Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159.
Disclose scope 1, scope 2 and, if appropriate, scope 3 GHG emissions and the related risks.	Emissions are reported in accordance with the Greenhouse Gas Protocol. Refer to the Statement and Notes on Greenhouse Gas CO_2e Emissions, pp. 148-159.
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our goal is to achieve net zero for scope 1 and 2 emissions by 2050 and to reduce scope 3 emissions by 2033, p. 64.

Appendix B: Statements and Notes with Independent Accountants' Report

Interpreting this section

We execute rigorous processes to ensure metrics are transparently and reliably presented in accordance with the methodologies to which we adhere. In this section, you will find the independent accountants' reports providing limited or reasonable assurance over selected metrics found in this section.

	Subject Matter	2023 Assurance Level
People: Statement and Notes on People Metrics	People Metrics	Limited Assurance
Planet: Statement and Notes on Greenhouse Gas CO_2e Emissions	Scope 1 Emissions	Reasonable Assurance
	Scope 2 Emissions	Reasonable Assurance
	Scope 3 Emissions	Limited assurance
Planet: Statement and Notes on Waste	Waste Metrics	Limited assurance

L to R: **Daniele Gasparri,** Global Operations Manager Industrial X-Ray Solutions & Waygate Materials Leader | **Chiara Martini,** Industrial Relations Specialist, IETOperations

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Independent Accountants' Report

To the Board of Directors and Management of Baker Hughes Company:

Report on Baker Hughes Company's Statements and Notes on People Metrics, Greenhouse Gas CO_2e Emissions, and Waste as of and for the year ended December 31, 2023

Examination opinion and review conclusion

We have performed an assurance engagement on the following information as of and for the year ended December 31, 2023 within Baker Hughes Company's (the Company) 2023 Corporate Sustainability Report (the Sustainability Report):

Information subject to assurance	Type of assurance	Page number in the Sustainability Report	The criteria relevant to the information subject to assurance
Statement and Notes on People Metrics (People Statement)	Review (limited assurance)	140	As described in Note 1 of the People Statement
Scope 1 and 2 greenhouse gas emissions and related notes within the Statement and Notes on Greenhouse Gas CO_2e Emissions (GHG Statement)	Examination (reasonable assurance)	148	As described in Note 1 of the GHG Statement
Scope 3 greenhouse gas emissions and related notes within the GHG Statement	Review (limited assurance)	148	As described in Note 1 of the GHG Statement
Statement and Notes on Waste (Waste Statement)	Review (limited assurance)	160	As described in Note 1 of the Waste Statement

For the purposes of the remainder of our assurance report:

- "Examination Information" refers to the information identified above that was subject to reasonable assurance;
- "Review Information" refers to the information identified above that was subject to limited assurance;
- "Assured Sustainability Information" refers to all information subject to assurance (both reasonable assurance and limited assurance); and
- "Applicable Criteria" refers to the criteria relevant to the information subject to assurance as identified above.

Examination opinion

In our opinion, the Examination Information for the year ended December 31, 2023 is prepared in accordance with the Applicable Criteria, in all material respects.

Review conclusion

Based on our review, we are not aware of any material modifications that should be made to the Review Information as of and for the year ended December 31, 2023 in order for it to be prepared in accordance with the Applicable Criteria.

Our examination opinion and review conclusion on the Assured Sustainability Information does not extend to any other information that accompanies or contains the Assured Sustainability Information and our report.

Basis for opinion and conclusion

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants in AT-C section 105, *Concepts Common to All Attestation Engagements* and AT-C section 205, *Assertion-Based Examination Engagements*. Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants in AT-C section 105, *Concepts Common to All Attestation Engagements* and AT-C section 210, *Review Engagements*. We are required to be independent and to meet our other ethical requirements in accordance with relevant ethical requirements related to the engagement. We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our examination opinion and review conclusion.

Emphasis of Matter

As noted in Note 2 of the GHG Statement, the Company recalculated its 2019 Scope 1, 2, and 3 emissions to account for recent structural changes, boundary enhancement, and enhancements in methodology and data, in accordance with the Applicable Criteria as described in Note 1 of the GHG Statement.

Our opinion and conclusion are not modified in respect of this matter.

Other Matter

We previously reviewed selected metrics within the People Statement related to the years ended December 31, 2022 and December 31, 2021 and our reports dated May 24, 2023 and June 24, 2022 included unmodified conclusions, respectively.

We previously reviewed the Statement and Notes on Waste for the year ended December 31, 2022 and our report dated May 24, 2023 included an unmodified conclusion.

We previously reviewed the Statements and Notes on Greenhouse Gas CO_2e Emissions for the year ended December 31, 2019 prior to the revisions described in Note 2, and our report dated June 24, 2022 included an unmodified conclusion. We reviewed the adjustments to the 2019 emissions data, which are described in Note 2, and we are not aware of material modifications that should be made to the adjustments to the 2019 emissions disclosure. The level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed.

Our opinion and conclusion are not modified with respect to these matters.

Responsibilities for the Assured Sustainability Information

Management of the Company is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Assured Sustainability Information that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the Assured Sustainability Information and appropriately referring to or describing the criteria used; and
- preparing the Assured Sustainability Information in accordance with the Applicable Criteria.

Inherent limitations in preparing the Assured Sustainability Information

As described in Note 1 of the GHG Statement and Note 3 of the Waste Statement, energy use data and waste volume, respectively, are subject to measurement uncertainties resulting from limitations inherent in the nature and methods used for determining such data. The selection by the Company's management of different but acceptable measurement techniques could have resulted in materially different measurements.

Our responsibilities

The attestation standards established by the American Institute of Certified Public Accountants require us to do the following:

- with respect to our examination:
  - plan and perform the examination to obtain reasonable assurance about whether the Examination Information is prepared in accordance with the Applicable Criteria, in all material respects; and
  - express an opinion on the Examination Information, based on our examination.
- with respect to our review:
  - plan and perform the review to obtain limited assurance about whether any material modifications should be made to the Review Information in order for it to be prepared in accordance with the Applicable Criteria; and
  - express a conclusion on the Review Information based on our review.

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Assured Sustainability Information that is sufficient and appropriate to provide a basis for our examination opinion and review conclusion.

The Nature of Our Examination Engagement

The nature, timing, and extent of the procedures selected depended on our judgment, including an assessment of the risks of material misstatement of the Examination Information, whether due to fraud or error. We identified and assessed the risks of material misstatement through understanding the Examination Information and the engagement circumstances. We also obtained an understanding of the internal control relevant to the Examination Information in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls.

The Nature of Our Review Engagement and Summary of the Work We Performed as The Basis for Our Conclusion

Our procedures selected depended on our understanding of the Review Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our review engagement, we:

- assessed the suitability of the criteria used by the Company in preparing the Review Information;
- interviewed senior management and relevant staff at corporate and selected locations;
- inspected a selection of supporting records;
- applied analytical procedures;
- recalculated the Review Information based on the criteria; and
- evaluated the overall presentation of the Review Information to determine whether it is consistent with the Applicable Criteria and in line with our overall knowledge of, and experience with, the Company.

The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the subject matter information is in accordance with the criteria, in all material respects, in order to express an opinion. Because of the limited nature of the review engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed.

KPMG LLP

Fort Worth, Texas
May 13, 2024

Statement and Notes on People Metrics

Metric	Criteria[1]	Page #	Key performance indicators[2]	Methodology
Employee counts	GRI 2-7, Management metric	172-174	Number of total employees	Number of effective employees
			Number of total employees by region	Number of effective employees by respective region
			Number of total employees by gender	Number of effective employees by respective gender
			Number of employees by age group	Number of effective employees by respective age group
			Number of employees by seniority	Number of effective employees by respective seniority
			Number of employees by job function	Number of effective employees by respective job function
			Number of full time and part time employees	Number of full time effective employees Number of part time effective employees
			Number of full time and part time employees by each region	Number of full time effective employees by respective region Number of part time effective employees by respective region
			Number of full time and part time employees by each gender	Number of full time effective employees by respective gender Number of part time effective employees by respective gender
New candidates hired	GRI 401-1	171-172	Number of external candidates hired	Number of external candidates hired
			Number of external candidates hired by gender	Number of external candidates by respective gender who were hired
			Number of external candidates hired by age group	Number of external candidates by respective age group who were hired
			Number of external candidates hired by region	Number of external candidates by respective region who were hired
			Number of internal candidates hired	Number of internal candidates hired
			Number of internal candidates hired by gender	Number of internal candidates by respective gender who were hired
			Number of internal candidates hired by age group	Number of internal candidates by respective age group who were hired
			Number of internal candidates hired by region	Number of internal candidates by respective region who were hired
			Note: Employees can be counted more than once if they are hired or terminated more than once in the same year.	
Employee attrition	GRI 401-1	169-171	Number and rate of total employee attrition	Number of effective employees who were voluntarily or involuntarily terminated Number of effective employees who were voluntary or involuntary terminated divided by the average monthly effective employee count

[1] Included to indicate the most comparable GRI metric; however, GRI disclosures may not be fully complete relative to the requirements of GRI.

[2] Unless otherwise noted, the KPIs have been prepared based on the reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. Effective employees refer to those as of December 31, 2023.

Metric	Criteria[1]	Page #	Key performance indicators[2]	Methodology
Employee attrition continued	GRI 401-1	169-171	Number and rate of total employee attrition by gender	Number of effective employees in respective gender category who were voluntary or involuntary terminated Number of effective employees in respective gender category who were voluntary or involuntary terminated divided by the average monthly effective employee count in respective gender category
			Number and rate of total employee attrition by age group	Number of effective employees in respective age group who were voluntary or involuntary terminated Number of effective employees in respective age group who were voluntary or involuntary terminated divided by the average monthly effective employee count in respective age group
			Number and rate of total employee attrition by region	Number of effective employees in respective region who were voluntary or involuntary terminated Number of effective employees in respective region who were voluntary or involuntary terminated divided by the average monthly effective employee count in respective region
			Note: Employees can be counted more than once if they are hired or terminated more than once in the same year.	
Voluntary attrition	Management metric	170-171	Number and rate of voluntary employee attrition	Number of effective employees who were voluntarily terminated Number of effective employees who were voluntarily terminated divided by the average monthly effective employee count
			Number and rate of voluntary employee attrition by gender	Number of effective employees in respective gender category who were voluntarily terminated Number of effective employees in respective gender category who were voluntarily terminated divided by the average monthly effective employee count in respective gender category
			Number and rate of voluntary employee attrition by age group	Number of effective employees in respective age group who were voluntarily terminated Number of effective employees in respective age group who were voluntarily terminated divided by the average monthly effective employee count in respective age group
			Number and rate of voluntary employee attrition by region	Number of effective employees in respective region who were voluntarily terminated Number of effective employees in respective region who were voluntarily terminated divided by the average monthly effective employee count in respective region
			Note: Employees can be counted more than once if they are hired or terminated more than once in the same year.	
Employees in leadership programs	Management metric	168	Total number of participants in leadership development programs (ASPIRE, IMPACT, CULTIVATE and ASCEND)	Number of participants in leadership development programs including ASPIRE (early career leadership program), IMPACT (mid-career leadership program), CULTIVATE (mid-career leadership program for women) and ASCEND (military transition program)

[1] Included to indicate the most comparable GRI metric; however, GRI disclosures may not be fully complete relative to the requirements of GRI.

[2] Unless otherwise noted, the KPIs have been prepared based on the reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. Effective employees refer to those as of December 31, 2023.

Metric	Criteria[1]	Page #	Key performance indicators[2]	Methodology
Employees in leadership programs continued	Management metric	168	Number of employees participating in each leadership development program	Number of participants in each ASPIRE, IMPACT, CULTIVATE and ASCEND programs
			Number of ASPIRE and IMPACT participants who identify as women	Number of participants who identify as women for ASPIRE and IMPACT
			Note: This metric is calculated based on who was part of the program as of December 31, 2023.	
U.S. Employees - people of color	GRI 405-1, Management Metric	169	Percentage of U.S. employees who identify as people of color	Number of effective employees in U.S. who identify as people of color as of year end divided by total number of effective employees in U.S. as of year end
			Percentage of U.S. employees who identify as people of color by seniority (Senior Professional Band and above, Executive Band and above)	Number of effective employees in U.S. who identify as people of color and are in respective seniority as of year end divided by total number of effective employees in U.S. who are in respective seniority as of year end
			Percentage of U.S. employees who identify as people of color by gender	Number of effective employees in U.S. who identify as people of color in respective gender category as of year end divided by total number of effective employees in U.S. who identify as people of color as of year end
Average hours of training per year per employee[3]	GRI 404-1	178	Average hours of training per employee	Number of recorded learning hours completed divided by number of effective employees
			Average hours of training per employee by gender	Number of recorded learning hours completed in respective gender divided by number of effective employees in respective gender
			Average hours of training per employee by career band	Number of recorded learning hours completed in respective career band divided by number of effective employees in respective career band
			Average hours of training per employee by job function	Number of recorded learning hours completed in respective job function divided by number of effective employees in respective job function
			Average hours of training per employee by business segment	Number of recorded learning hours completed in respective business segment divided by number of effective employees in respective business segment
			Note: Average training hours includes online and in person training completed during the year ended December 31, 2023, for effective employees as of December 31, 2023, which is recorded in our enterprise learning management system. The metric does not include training completions maintained outside of the enterprise system and may contain multiple course completions for the same course by the same employee.	
Employees by gender	GRI 405-1	175-176	Percentage of employees by gender	Number of effective employees in respective gender as of year end divided by total number of effective employees as of year end
			Percentage of employees by gender for each seniority	Number of effective employees in respective seniority and gender as of year end divided by total effective employees in respective seniority as of year end
			Percentage of employees by gender for each job function	Number of effective employees in respective function and gender as of year end divided by total effective employees in respective job function as of year end

[1] Included to indicate the most comparable GRI metric; however, GRI disclosures may not be fully complete relative to the requirements of GRI.

[2] Unless otherwise noted, the KPIs have been prepared based on the reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. Effective employees refer to those as of December 31, 2023.

[3] Estimated duration of each training, designated by the training creator, was used for the calculation. Where an estimated duration is not available, the median estimated duration based on activity type of the training was used. Note: In 2023, an adjustment was made to how the duration field was recorded by the training creator to more accurately represent time spent on training activities. This accounts for in a significant flux in metric reported in December 31, 2022 to December 31, 2023.

Metric	Criteria[1]	Page #	Key performance indicators[2]	Methodology
Employees by gender continued	GRI 405-1	175-176	Percentage of employees that are people managers for each gender	Number of effective employees designated as people manager of respective gender as of year end divided by total effective employees designated as people manager as of year end
			Percentage of women-identifying employees on Board of Directors	Number of employees on Board of Directors who identify as women as of year end divided by total number of Board of Directors as of year end
			Percentage of employees by gender	Number of effective employees in respective gender as of year end divided by total number of effective employees as of year end
			Percentage of employees by gender for each seniority	Number of effective employees in respective seniority and gender as of year end divided by total effective employees in respective seniority as of year end
			Percentage of employees by gender for each job function	Number of effective employees in respective function and gender as of year end divided by total effective employees in respective job function as of year end
			Percentage of employees that are people managers for each gender	Number of effective employees designated as people manager of respective gender as of year end divided by total effective employees designated as people manager as of year end
			Percentage of women-identifying employees on Board of Directors	Number of employees on Board of Directors who identify as women as of year end divided by total number of Board of Directors as of year end
Women in STEM roles	Management metric	169	Percentage of women in STEM roles	Number of effective employees who identify as women and who are in science, technology, engineering and mathematics (STEM) roles divided by all effective employees in STEM roles Baker Hughes has identified STEM roles consistent with roles defined by the United States Bureau of Labor Statistics.
Employees by age group	GRI 405-1	176-177	Percentage of employees by age group	Number of effective employees in respective age group, divided by total effective employees
			Percentage of employees by age group for each job function	Number of effective employees in respective age group and job function divided by total effective employees in respective job function
			Percentage of employees by age group for each seniority	Number of effective employees in respective age group and seniority divided by total effective employees in respective seniority
Country representation	Management metric	177	Number of employees working outside the United States	Number of effective employees that are working outside of the United States
			Number of countries with employees	Number of countries with effective employees
			Number of nationalities represented by employees	Number of nationalities represented by effective employees, as self-reported in HR enterprise system

[1] Included to indicate the most comparable GRI metric; however, GRI disclosures may not be fully complete relative to the requirements of GRI.

[2] Unless otherwise noted, the KPIs have been prepared based on the reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. Effective employees refer to those as of December 31, 2023.

Metric	Criteria[1]	Page #	Key performance indicators[2]	Methodology
Regular performance and career development reviews	GRI 404-3	168	Percentage of employees receiving regular performance and career development reviews	Number of effective employees who have completed the annual performance and career development review divided by total number of eligible effective employees
			Percentage of employees receiving regular performance and career development reviews by gender	Number of effective employees who have completed the annual performance and career development review in respective gender category divided by total number of eligible effective employees in respective gender category
			Percentage of employees receiving regular performance and career development reviews by career band	Number of effective employees who have completed the annual performance and career development review in respective career band divided by total number of eligible effective employees in respective career band
			Percentage of employees receiving regular performance and career development reviews by job function	Number of effective employees who have completed the annual performance and career development review in respective job function divided by total number of eligible effective employees in respective job function
			Note: For purposes of this metric, the career band category includes: Professional Band and above (PB+) including Leadership Training Band (LTB), Professional Band and above excluding Leadership Training Band, Senior Professional Band and above (SPB+) and Executive Band and above (EB+) as explained in the Glossary of Terms.	
Community contributions	Management metric	169	Number of volunteer service hours	Number of self-reported volunteer hours by active full-time employees
			Amount of employee-matched contributions made by the Baker Hughes Foundation	Amount of employee-matched contributions made by the Baker Hughes Foundation
			Amount of Baker Hughes Foundation financial contributions	Amount of Baker Hughes Foundation financial contributions
			Amount of Company in-kind contributions	Amount of company in-kind contributions. In-kind value is calculated by looking at product sales price of in-kind donations. Company in-kind contributions represent OFSE business segment software licenses only.
			Total amount of charitable contributions[4]	Total amount of charitable contributions (sum of employee-matched contributions, foundation financial contributions, company in-kind contributions)
Local and diverse spend with suppliers	Management metric	178	Amount spent with diverse suppliers and small businesses by Baker Hughes – Tier 1 spend	Amount of money paid against invoices from suppliers who are diverse or qualify as a small businesses
			Amount spent with diverse suppliers and small businesses by Baker Hughes' suppliers – Tier 2 spend	Amount of money reported to Baker Hughes by suppliers as part of Tier 2 Diverse Supplier Program
			Total amount spent – (Tier 1 and Tier 2)	Total amount spent (sum of Tier 1 spend plus Tier 2 spend)
			Note: Baker Hughes' tier 2 spend is allocatable indirect spend. It is calculated based on the Baker Hughes' suppliers' spending with diverse suppliers, as defined by the supplier with which Baker Hughes contracts and the dollar volume of Baker Hughes' business compared to the suppliers total revenue with Baker Hughes.	

[1] Included to indicate the most comparable GRI metric; however, GRI disclosures may not be fully complete relative to the requirements of GRI.

[2] Unless otherwise noted, the KPIs have been prepared based on the reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. Effective employees refer to those as of December 31, 2023.

[4] Charitable contributions are to qualified charitable organizations defined as an entity that holds active tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Service Code and classified as a public charity. This includes non-United States charities with international equivalent 501(c)(3) designations.

Metric	Criteria[1]	Page #	Key performance indicators[2]	Methodology
Employee resource group (ERG) membership	Management metric	177	Number of employees enrolled in at least one ERG	Number of active employees enrolled in at least one ERG
			Percentage of employees enrolled in at least one ERG	Number of active employees enrolled in at least one ERG divided by total number of active employees
Parental leave	GRI 401-3	177	Number of employees entitled to parental leave	Number of effective employees entitled to parental leave
			Number of employees entitled to parental leave by gender	Number of effective employees entitled to parental leave by gender
			Number of employees that took parental leave	Number of effective employees with an approved leave for maternity, paternity and/or parental that have been approved in Canada, Germany, Malaysia, Qatar, Saudi Arabia, United Kingdom and United States
			Number of employees that took parental leave by gender	Number of effective employees with an approved leave for maternity, paternity and/or parental that have been approved by gender in Canada, Germany, Malaysia, Qatar, Saudi Arabia, United Kingdom and United States
			Number of employees that returned from leave in the reporting period following leave	Number of effective employees with approved leave for maternity, paternity and/or parental that have returned to work in Canada, Germany, Malaysia, Qatar, Saudi Arabia, United Kingdom and United States
			Number of employees that returned from leave in the reporting period following leave by gender	Number of effective employees with approved leave for maternity, paternity and/or parental that have returned to work by gender in Canada, Germany, Malaysia, Qatar, Saudi Arabia, United Kingdom and United States
			Note: While we offer global parental leave policies in other countries, our reporting capabilities only allow us to report these metrics in the above seven countries in 2023.	
Employees by generation group	Management metric	177	Percentage of employees by generation group	Number of effective employees by generation group divided by total effective employees

Note 1 - Reporting boundary

The Company presents its people metrics from operations over which it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies. Minority-owned joint ventures not operated by the Company are excluded from the reporting boundary.

[1] Included to indicate the most comparable GRI metric; however, GRI disclosures may not be fully complete relative to the requirements of GRI.

[2] Unless otherwise noted, the KPIs have been prepared based on the reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. Effective employees refer to those as of December 31, 2023.

Note 2 - Glossary of Terms

Term	Definition
Gender	Self-identified as men, women, undeclared or no gender selected in HR enterprise system
Career band	Company's internal classification of various jobs depending on level of responsibility and contribution
Professional band and above (PB+)	Career band including Professional Band, Lead Professional Band, Senior Professional Band, Executive Band, Senior Executive Band, Vice President, Senior Vice President who are in office-based developing, supporting, applying, leading and shaping roles and who are at professional, lead professional, or functional tactical positions For 2022 metrics, Leadership Training Band (LTB) was not included in PB+ because they follow their own performance management process. For 2023 metrics, we added a sub-metric for PB+ including LTB and PB+ excluding LTB to provide more transparency. For all other metrics that breakout by PB+, LTB is included in PB+ following our career band structure.
Senior Professional band and above (SPB+)	Career band including Senior Professional Band, Executive Band, Senior Executive Band, Vice President, Senior Vice President who are in office-based applying, leading and shaping roles and who are senior level managers, seasoned managers and specialized individual contributors requiring in-depth understanding of their business or function
Executive band and above (EB+)	Career band including Executive Band, Senior Executive Band, Vice President, Senior Vice President
People of color	Employees who identify as American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or other Pacific Islander, two or more races and self-reported in the United States.
ERG	Employee Resource Group. We have the following ERGs: Black Employee Network, Asian Pacific American Forum, Enabled, LatinX, Multicultural, Pride@work, Veterans and Women's Network.
FY 2023	Financial year counted from January 1, 2023 to December 31, 2023
Effective employees	All employees excluding interns, co-ops, trainees, apprentice, inactive employees and contingent workers as of December 31, 2023
Active employees	All employees excluding employees on long-term leave of absence, inactive employees and contingent workers as of December 31, 2023
Job function	Company's internal classification according to job family group (Commercial, Enabling, Production, Technical and Other). A summary of the jobs compassed by these job functions can be found on page 33.
Internal candidates	An existing employee that filled an open internal position/requisition within the Company
External candidates	A person that is not an employee of the Company that was hired into an open position/requisition
Entitled to parental leave	Leave is defined as paid or unpaid time away from work. An employee is entitled to parental leave based on the eligibility criteria, utilizing the Baker Hughes country policies and/or statutory regulations, whichever is more encompassing.
Primary and Secondary parent	Company's designation used for the parental leave benefit program to distinguish the amount of leave entitlement. This is a self-designation by employee as primary or secondary.
Management roles/People manager	Effective employees who are responsible for the supervision and review of employees
Seniority	Two specific groupings of effective employees in leadership, Senior Professional Band and above (as defined above) and Executive Band and above (as defined above)
Employee time type category	All effective employees will be categorized into either the Part-Time category (employees with Time Type of Part Time plus employees with Time Type of Full Time who are less than 1.0 full time employee headcount (FTE)) and Full-Time category (employees with Time Type of Full Time and 1.0 or greater FTE).
Age group	All effective employees will be categorized into one of the following age groups: Under 30 years old, 30 – 50 years old and over 50 years old. Employees whose birthdate is not available will be categorized as age group left blank. Calculation for age group will use age as whole numbers only considered as of December 31, 2023 (i.e. if employee is 50 years old and 6 days, employee will be in the 30-50 age group).

Note 2 - Glossary of Terms continued

Term	Definition
Nationality	An identification of a person based on their status of belonging to a particular nation. This is self-identified by employees in the HR enterprise system.
Generation group	All effective employees will be categorized into one of the following generation groups based on birth year: Silent (1928 through 1945), Baby Boomers (1946 through 1964), Generation X (1965 through 1979), Generation Y/Millennials (1980 through 1995) and Generation Z (1996 through present); employees whose birth year is not available will be categorized as generation group left blank.
Region	A group of countries located in the same geographically specified area as determined by the company. Regions include: Asia Pacific, Russia and Commonwealth of Independent States, Middle East, North Africa, Turkey and India, North America, Latin America, Sub-Saharan Africa and Europe.
Supplier	Organization or individual that enters into an agreement with the acquirer or integrator for the supply of a product or service. This includes all suppliers in the supply chain, developers or manufacturers of systems, system components, or system services; systems integrators; vendors; product resellers; and third-party partners.
Diverse supplier	An organization that is at least 51% owned, operated and controlled by an individual or group that is part of a traditionally underrepresented or underserved group. Some common classifications tracked by Baker Hughes include: • **Minority-Owned** • **Women-Owned** • **LGBT-Owned** • **Disabled-Owned** • **Indigenous** • **Aboriginal** • **Veteran-Owned** • **Self-Certified** • **HUBZone (Historically Underutilized Business Zone (United States only))**
Small business supplier[5]	An organization that meets the local government's small business standard criteria
Tier 1 spend	The dollar amount spent by Baker Hughes directly with suppliers who are identified as small or diverse. See definition of Diverse supplier above
Tier 2 spend	Baker Hughes suppliers who have their own Supplier Diversity Program where they track spend with small and/or diverse businesses which is then reported to Baker Hughes through use of our third-party tracking tool
STEM roles	Jobs identified as being within career fields of science, technology, engineering and mathematics. At Baker Hughes, this includes all roles in the job family groups of: • **Digital Technology** • **Engineering/Technology** • **Environmental Health & Safety** • **Field Operations** • **Information Technology** • **Product Management** • **Project Management** • **Quality** • **Services** and all roles in the following job families: • **Manufacturing Engineering** • **Finance IT**

[5] For small-business suppliers, we rely on vetted third parties such as SupplierGATEWAY, Dun and Bradstreet, Small Business Administration and, in some regions, validating what the small business has provided to Baker Hughes against the applicable country small business to determine if small business criteria are met.

Statement and Notes on Greenhouse Gas CO_2e Emissions

Statement on Gas CO_2e Emissions (MT CO_2e)

	2019	2023
Total scope 1 Emissions	501,791	383,096
Total scope 2 Indirect Emissions - Location Based	307,082	217,941
Total scope 2 Indirect Emissions - Market Based	299,296	191,417
Total scope 1 and 2 Emissions - Market Based	801,087	574,513
Total reported scope 3 Emissions	236,832,567	433,728,176

Note 1 - Company

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 Statement and Notes on Greenhouse Gas CO_2e Emissions have been prepared based on reporting year 2023, from January 1, 2023 to December 31, 2023, corresponding to the Baker Hughes Company fiscal year. The Statement and Notes on GHG CO_2e emissions also include emissions data from base reporting year 2019, from January 1, 2019 to December 31, 2019, corresponding to the Company's fiscal year.

The Statement and Notes on GHG CO_2e Emissions do not include 2020-2022 emissions data since recalculated GHG emissions data for all years between the base year and the reporting year is optional, as noted in the World Resources Institute (WRI)/ World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition.

Scope 1

GHG emissions information has been prepared in accordance with the WRI/WBCSD Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. Scope 1 represents direct GHG emissions that occur from sources that are owned or controlled by Baker Hughes.

Scope 1, facilities: Where fuel quantity is known, stationary combustion source methodology is used as described in the 2023 United States Environmental Protection Agency (EPA) Mandatory Reporting Rule, 40 CFR Part 98 Subpart C based on actual purchases during the year. Where fuel quantity is unknown, estimation methodology is based on size of occupied space and type of operation using the 2023 United States Energy Information Administration (EIA) Commercial Buildings Energy Consumption Survey (CBECS) data.

Scope 1, field activities: Where fuel quantity is known, stationary combustion source methodology is used as described in the EPA Mandatory Reporting Rule, 40 CFR Part 98 Subpart C based on actual purchases during the year, or actual consumption in instances where fuel was not purchased. Where fuel quantity is unknown, fuel quantity is calculated using known fuel purchase records, operating hours and an average hourly consumption rate for field equipment.

Scope 1, vehicles and marine vessels: Where fuel quantity is known or based on fixed usage contracts, mobile combustion source methodology is as described in the EPA Center for Corporate Climate Leadership 2023 GHG Inventory Guidance on Direct Emissions from Mobile Combustion Sources. Where vehicle fuel quantity is unknown, estimation methodology is based on regional averages of similar vehicles with known fuel usage.

Scope 2

GHG emissions information has been prepared in accordance with the 2023 WRI/WBCSD GHG Protocol scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Scope 2 accounts for GHG emissions from the generation of purchased electricity, heating, steam and cooling consumed by the Company.

Scope 2, facilities: Emissions from electricity use are calculated with US EPA eGRID, Canada National Inventory, International Energy Agency (IEA) and Association of Issuing Bodies (AIB) emission factors. We calculate market-based emissions based on electricity procurement decisions and details including contracts, renewable energy certificates (RECs) in the US and renewable energy guarantees of origin (REGOs) in the United Kingdom (UK) and European Union. European residual mix factors are used where REGOs are unavailable. Location-based emissions are calculated using national grid factors by location for our global facility portfolio. Where electricity use data is unavailable, estimation methodology involves calculation of energy use based on square footage and facility type using the EIA CBECS data.

Scope 2, remote work: Emissions associated with remote work are included in scope 2. This categorization deviates from the GHG Protocol; however, we take this approach to counterbalance reduced emissions resulting from fewer office-based employees working on-site at our facilities since the COVID-19 pandemic. The Company continues to offer flexible work arrangements to our global employees and remote working has continued at a somewhat lower rate. Emissions from home office electricity use were assessed in a Baker Hughes-specific home office study. The study assessed the actual electricity use by volunteer employee participants and calculated the corresponding emissions using IEA Emission Factors.

Scope 3

GHG emissions information has been prepared in accordance with the WRI/WBCSD GHG Protocol: Corporate Value Chain (scope 3), Accounting and Reporting Standard. Scope 3 includes indirect GHG emissions (not included in scope 2) that occur in the value chain of the Company, including both upstream and downstream emissions categories listed in Notes 7 and 8.

Collectively, the WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, the GHG Protocol scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard and the GHG Protocol: Corporate Value Chain (scope 3), Accounting and Reporting Standard are referred to as the "GHG Protocol" in this document.

Estimation uncertainties

The Company obtains energy use data from across our global operations for the calculation of our GHG inventory in accordance with the GHG Protocol. However, there are estimation uncertainties resulting from the limitations inherent in the methodologies used to calculate energy and emissions for the subset of facilities and activities where actual use data is not available. These methodologies are described within the Statement and Notes on GHG CO_2e Emissions for scope 1, 2 and 3 emissions categories. The selection by the Company's management of different but acceptable measurement techniques could have resulted in materially different measurements.

Note 2 – GHG reporting inventory boundaries

The Company presents its emissions under the operational control approach, accounting for emissions from operations over which it, or one of its subsidiaries, has the full authority to introduce and implement its operating policies. We exclude minority-owned joint ventures not operated by the Company.

Operational boundaries

Scope 1 and 2 operational boundaries: We include scope 1 emissions from the combustion of fuels on-site at our facilities, including natural gas, distillate, gasoline, kerosene, propane, residual fuel oil and hydrofluorocarbons (HFCs). Scope 1 also includes offsite activities associated with transportation in our company vehicle fleet and field activities related to stimulation work carried out on marine vessels, pressure pumping operations, integrated well services and solutions and offshore wireline activities.

Scope 2 includes CO_2e emissions from the purchase and self-generation of renewable and non-renewable electricity, heating, steam and cooling used on-site across our global facility portfolio. Emissions associated with remote work are also included in scope 2.

For both scope 1 and 2, the Company includes both owned and leased facilities, vehicles and equipment. The Company accounts for CO_2e emissions from long-term leased assets (equipment, vehicles and real estate) that are treated as wholly-owned assets in financial accounting and are recorded as such on the balance sheet. We account for emissions from all other leased vehicles based on operational fleet management inventories. Facilities subleased to third parties are excluded and scope 1 does not include emissions from process and pipeline services because robust methods to calculate these are not yet available.

Scope 3 operational boundaries:

Scope 3 includes GHG Protocol:

- **Category 1 – purchased goods and services;**
- **Category 2 - capital goods;**
- **Category 3 – fuel and energy related activities (not included in scope 1 and 2);**
- **Category 4 – upstream transportation and distribution:** shipments paid for by Baker Hughes and captured in transportation management systems;
- **Category 5 – waste generated in operations;**
- **Category 6 – business travel;**
- **Category 7 – employee commuting;**
- **Category 9 – downstream transportation and distribution:** outbound shipments not paid for by Baker Hughes;
- **Category 11 – use of sold products:** direct-use phase emissions from products and services; and
- **Category 15 – investments:** equity investments.

Base year

The GHG base year applies to scope 1, scope 2 and scope 3 emissions and has been prepared in accordance with the GHG Protocol set out herein. The Company has established 2019 as the base year for scope 1, 2 and 3 as it best represents the most recent year of business-as-usual operations prior to the COVID-19 pandemic. In accordance with the GHG Protocol, Baker Hughes has established a policy to recalculate base year emissions based on a 5% cumulative significance threshold applied to adjustments of scope 1, scope 2 and scope 3 categories individually for any reporting year. Significant changes evaluated for recalculation include recent company structural changes, boundary enhancement and enhancements in methodology and data. The recalculation of our fixed base year emissions is in accordance with the GHG Protocol's "same-year/all-year" approach.

Adjustments to the scope 1 and 2 2019 base year were made for:

01. **Divestiture of two business units in 2023 and acquisition of seven business units in 2022.**
02. **Changes in accounting methodology for more accurate facility emissions estimations.**

Adjustments to the scope 3 2019 base year were made for:

01. **Divestiture of one business unit in 2022 for all categories except 3 which was adjusted in the prior year.**
02. **Divestiture of two business units in 2023 for category 3.**
03. **Acquisition of seven business units in 2022 for all categories.**
04. **Changes to emission factors to include upstream life cycle emissions for fuel and energy consumed in categories 4, 7, 9 and 11. Additionally, category 5 emissions factors changed from Department for Environment, Food and Rural Affairs (DEFRA) to EPA.**
05. **Changes in accounting methodology for categories 2,3 and 15 to account for the discontinuation of the Quantis tool and enhancements in Category 9 estimation methodology.**

Greenhouse gases covered

Emissions data is provided in metric tonnes (MT) for each GHG separately in addition to the total of all GHGs. The GHG emissions disclosed in the Statement and Notes on GHG Emissions include the following seven greenhouse gases: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), HFCs, perfluorocarbons (PFCs), nitrogen trifluoride (NF_3) and sulfur hexafluoride (SF_6).

Market-based approach

Carbon emissions can be reduced through energy efficiency and conservation measures and by increasing the use of zero carbon or low-carbon energy sources. The market-based approach calculates the carbon emissions based on our electricity procurement decisions which include the use of renewables and zero-emissions energy sources, such as nuclear. Details including contracts, RECs and REGOs are used in calculating market-based emissions. We apply energy attribute certificates (EACs) only to the electricity consumption of specific facilities under the contract. Excess EACs are not applied to sites or regions other than those under contract. We use market-based values to assess our performance against our stated emissions reduction goals in the current reporting year as compared to our base year.

Global warming potentials

GHG emissions were calculated using the Global Warming Potentials (GWP) from the International Panel on Climate Change (IPCC) Sixth Assessment Report (AR6 – 100 year). Where emission factors are published with prior Assessment Report GWPs, we have adjusted the factors to use AR6 for consistency across our inventory.

GHG Emissions Factors

	Emissions scope	Emissions source	Emissions factors
Scope 1	Vehicle	Distillate fuel, gasoline/petrol	2019: US EPA Emission Factors for Greenhouse Gas Inventories (Table 1), March 26, 2020. US EPA, Inventory of US Greenhouse Gas Emissions and Sinks: 1990–2016 EPA 430-R-18-003, Annex 3.2 2023: US EPA, Inventory of US Greenhouse Gas Emissions and Sinks: 1990–2021 | 2023 All Annexes (pdf) | Table A-70, Table A-73 and Table A-74. April 13, 2023. US EPA Emission Factors for Greenhouse Gas Inventories (Table 1, 3, 4 and 5). September 12, 2023.
	Field activities (Pressure pumping, wireline, integrated well services and marine vessels)	Distillate fuel	2019: US EPA Emission Factors for Greenhouse Gas Inventories (Table 1 and 5), March 26, 2020. 2023: US EPA Emission Factors for Greenhouse Gas Inventories (Table 1 and 5). September 12, 2023.
	Facilities	Natural gas, distillate, gasoline, kerosene, liquid propane gas, propane, residual fuel oil, HFCs	2019: US EPA Emission Factors for Greenhouse Gas Inventories (Table 1), March 26, 2020. International Journal of Hydrogen Energy 46 – Global warming consequences of replacing natural gas with hydrogen in the domestic energy sectors of future low-carbon economies in the UK and USA, July 8, 2021. 2023: US EPA Emission Factors for Greenhouse Gas Inventories (Table 1). September 12, 2023. International Journal of Hydrogen Energy 46 – Global warming consequences of replacing natural gas with hydrogen in the domestic energy sectors of future low-carbon economies in the UK and USA, July 8, 2021.
Scope 2	Facilities	Electricity	US EPA eGRID 2018, March 9, 2020; 2019 Canada National Inventory Report 1990-2017, Annex 13-2 through 13-14, 2019; IEA 2017 released 2019; AIB, European Residual Mixes 2019, Version 1.1, August 9, 2020 2023: US EPA eGRID 2021. January 30, 2023; 2023 Canada National Inventory Report 1990-2021, Part 3, Table A13.1-13.14. April 2023; IEA 2023 released September 2023; AIB, European Residual Mixes 2022, Version 1.0, Table 2. June 1st, 2023.
	Remote work	Electricity	2019: IEA 2017 released 2019 2023: IEA 2023 released September 2023
Scope 3	Category 1	Purchased goods and services	2019: EXIOBASE 3 EE MRIO tables, Version 3.7, December 18, 2019 2023: EXIOBASE 3 EE MRIO tables, Version 3.8.2, October 21, 2021
	Category 2	Capital goods	2019 – 2023: US EPA Environmentally-Extended Input-Output (USEEIO) v1.1 - Matrices – November 12, 2020
	Category 3	Fuel- and energy-related activities (not included in scope 1 or scope 2)	2019: DEFRA 2019 UK Government GHG Conversion Factors for company report 2019 v 1. Fuels WTT 2023: DEFRA 2023 UK Government GHG Conversion Factors for company reporting 2023 v 1. Fuels WTT 2019 and 2023: IEA 2023 Life Cyle Upstream Emission Factors 2023 (Pilot Edition), Total Upstream Factors and Life Cycle Transmission and Distribution Factors tabs of database
	Category 4	Upstream transportation and distribution	2019: DEFRA 2019. UK Government GHG Conversion Factors for Company Reporting 2019, v 1. Freighting Goods Table DEFRA 2019 UK Government GHG Conversion Factors for company reporting 2019 v 1. Freight WTT 2023: DEFRA 2023. UK Government GHG Conversion Factors for company reporting 2023, v 1. Freighting Goods Table DEFRA 2023 UK Government GHG Conversion Factors for company reporting 2023 v 1. Freight WTT

GHG CO_2e Emissions Factors continued

	Emissions scope	Emissions source	Emissions factors
Scope 3 continued	Category 5	Waste generated in operations	2019: US EPA Emission Factors Hub 2020 Table 9 2023: US EPA Emission Factors Hub 2023, Table 9
	Category 6	Business Travel	2019: US EPA Emission Factors for Greenhouse Gas Inventories (Tables 2 and 10), March 26, 2020 2023: UK Government–DEFRA GHG Conversion Factors for Company Reporting (hotel stay, Business travel- air, Business travel- land) US EPA Emission Factors for Greenhouse Gas Inventories (Tables 2 and 10), April 1, 2023 2019 and 2023: India GHG Program 2015. V 1, Passenger Car Table, p. 9 US EPA USEEIO v1.1
	Category 7	Employee commuting	2019: US EPA Emission Factors for Greenhouse Gas Inventories (Table 10), March 26, 2020 DEFRA 2019 UK Government GHG Conversion Factors for company reporting 2019 v 1. Business Travel Land & WTT - passenger vehicles & travel - land 2023: US EPA Emission Factors for Greenhouse Gas Inventories (Table 10), April 1, 2023 DEFRA 2023 UK Government GHG Conversion Factors for company reporting 2023 v 1. Business Travel Land & WTT - passenger vehicles & travel - land 2019 and 2023: India GHG Program 2015. V 1, Passenger Car Table, p. 9
	Category 9	Downstream transportation and distribution	2019 and 2023: Same as Category 4
	Category 11	Use of sold products	2019: IEA 2019 released 2019 IEA 2023 released September 2023 SimaPro 9.0.0.30 with Ecoinvent 3.5 database 2023: EcoInvent 3.6 database 2019 and 2023: IEA 2023 Life Cyle Upstream Emission Factors 2023 (Pilot Edition), Total Upstream Factors and Life Cycle Transmission and Distribution Factors tabs
	Category 15	Investments	2019 – 2023: US EPA USEEIO v1.1 - Matrices – November 12, 2020

Note 3 - CO_2e intensity

Total scope 1, scope 2 (market based) and scope 3 emissions per dollar of revenue

Market based: MT CO_2e per $ revenue

	2019	2023
Scope 1 per $ revenue	0.000021	0.000015
Scope 2 per $ revenue	0.000013	0.000008
Scope 3 per $ revenue	0.009935	0.017005
Total per $ revenue	**0.009969**	**0.017028**
Total revenue (millions USD)	**$23,838**	**$25,506**

Note 4 - CO_2e emissions data by GHG

Emissions data for all seven GHGs in metric tonnes and in tonnes of CO_2e include only scope 1 and 2 emissions.

GHG Emissions by gas

	in MT CO_2e						
2023	CO_2	CH_4	N_2O	HFCs	PFCs	NF_3	SF_6
Scope 1	378,868	3,296	932	0	0	0	0
Scope 2, Location-Based Approach	216,967	328	646	Not applicable	Not applicable	Not applicable	Not applicable
Scope 2, Market-Based Approach	190,720	219	478	Not applicable	Not applicable	Not applicable	Not applicable
	in absolute MT gas						
2023	CO_2	CH_4	N_2O	HFCs	PFCs	NF_3	SF_6
Scope 1	378,868	118	3	0	0	0	0
Scope 2, Location-Based Approach	216,967	12	2	Not applicable	Not applicable	Not applicable	Not applicable
Scope 2, Market-Based Approach	190,720	8	2	Not applicable	Not applicable	Not applicable	Not applicable

Note 5 - Emissions data on direct or biogenic CO_2 emissions from biologically sequestered carbon

There are no emissions applicable to biologically sequestered carbon (e.g., CO_2 from burning biomass or biofuels).

Nikki Hy, Chemical Engineer, OFSE

Note 6 - Information on offsets

It is the Baker Hughes sustainability policy to exhaust all carbon emissions reduction pathways prior to starting to use offsets. Carbon offsets are not included in our short to mid-term net-zero roadmap (See Note 2, market-based approach).

Note 7 - Scope 3 reporting

Scope 3 reporting (MT CO_2e)

	Category		2019	2023	Notes
Upstream scope 3 emissions	Category 1	Purchased goods and Services	4,587,993	6,368,267	Includes purchase order spend related to purchased goods and services, except for capital goods (category 2), utilities (category 3), logistics (category 4), waste (category 5), and business travel (category 6). Spend considered relates to raw materials, finished & semi finished goods and services provided to the Company.
	Category 2	Capital goods	167,703	147,120	Includes emissions from the upstream production of Plant, Property, & Equipment (PP&E) from the Company's Fixed Asset Registry.
	Category 3	Fuel and energy-related activities (not included in scope 1 or 2)	186,887	143,841	Includes emissions from fuel and energy related activities not already accounted for in scope 1 and scope 2 emissions.
	Category 4	Upstream transportation and distribution	670,580	331,325	Includes domestic and international third-party owned or operated transportation via land, sea or air purchased by Baker Hughes.
	Category 5	Waste generated in operations	136,287	108,781	Includes emissions from the disposal of waste types, hazardous and non-hazardous waste and disposal methods, such as recycling, landfill or re-use.
	Category 6	Business travel	102,015	68,967	Includes business travel booked within and outside Baker Hughes' third-party booking system and out-of-pocket business travel expenses. This includes business travel activities such as air, rail, bus, automobiles (including employee owned and rental cars), as well as hotel stays when employees travel.
	Category 7	Employee commuting	186,849	152,870	Includes commuting emissions from active employees except for home office emissions for employees who work remotely. This includes travel by personal vehicle, public transportation or other zero emission methods. Optional home office emissions are reported under scope 2.
	Category 8	Leased assets	Not applicable	Not applicable	Over 99% of emissions from the operation of leased assets are included in scope 1 and 2, or scope 3 category 11.
Downstream scope 3 emissions	Category 9	Downstream transportation and distribution	482,549	260,844	Includes domestic and international third-party owned or operated transportation related to Baker Hughes products, via land, sea or air, purchased by value chain partners.
	Category 10	Processing of sold products	insignificant	insignificant	Over 99% of Baker Hughes revenues are from finished goods.
	Category 11	Use of sold products	230,203,237	425,927,694	Includes in-use emissions from products and services sold by Baker Hughes. These direct use-phase emissions originate from the combustion of fuel or consumption of electricity, steam and leakage of greenhouses gases during the operation of sold products and services.

Note 7 - Scope 3 reporting continued

Scope 3 reporting (MT CO_2e)

	Category		2019	2023	Notes
Downstream scope 3 emissions continued	Category 12	End-of-life treatment of sold products	Not reported	Not reported	Further engagement with customers is needed to understand how products are disposed/dispositioned.
	Category 13	Leased assets	Excluded category	Excluded category	Baker Hughes does not distinguish between products sold and leased and therefore accounts for leased assets within category 11 - Use of Sold Products.
	Category 14	Franchises	Not applicable	Not applicable	Baker Hughes does not operate franchises.
	Category 15	Investments	108,467	218,467	Includes equity investments which are not consolidated into Baker Hughes financial statements. Certain equity investments are not included as the Company is limited in its ability to collect data.
Total scope 3 emissions			**236,832,567**	**433,728,176**	

Note 8 - Scope 3 additional disclosures

Summary of the category scope, types and sources of data used, data quality, methodology, allocation methods and assumptions used to calculate emissions.

Description of scope 3 methodologies and data used

Upstream scope 3 emissions		
	Description of the types and sources of data used to calculate emissions	**Description of the methodologies, allocation methods and assumptions used to calculate emissions**
Category 1, Purchased goods and services	**Activity data:** (Primary data) direct and indirect purchasing activity in the reporting year **Emissions factors:** (Secondary data) cradle-to-gate emission factors for purchased goods and services were obtained from EXIOBASE 3	The calculation uses the spend-based methodology. Where spend cannot be mapped to a United Nations Standard Products and Services Code (UNSPSC) code, emissions are estimated through extrapolation of mapped spend. Emissions = (spend by UNSPSC) x (mapped EEIO factor)
	Description of the data quality of reported emissions	**Very Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Category 2, Capital goods	**Activity data:** (Primary data) PP&E purchasing activity in the reporting year **Emissions factors:** US EPA EEIO Factor Table	The calculation uses the average spend-based methodology and emission factors published by the US EPA. Emissions = (spend by category) x (EEIO Emissions Factor)
	Description of the data quality of reported emissions	**Very Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Category 3, Fuel and energy related	**Activity data:** (Primary data) scope 1 and scope 2 usage (MWh) data by fuel or energy source **Emissions factors:** Fuels & Purchased Heat - DEFRA WTT Emission Factors, Electricity - IEA Emission Factors.	This category uses scope 1 and 2 Activity data in MWh and applies appropriate upstream and transmission & distribution emissions factors as applicable. Emissions = (Scope 1 or 2 usage by energy source) x (upstream emissions factor)
	Description of the data quality of reported emissions	**Very Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Category 4, Upstream transportation and logistics	**Activity data:** (Primary data) Details from the company's transportation management system including the freight spend, origin and destination of the shipment, the mode of transport and weight for domestic and international movements. **Emissions factors:** (Secondary data) The emission factors are from DEFRA Conversion Factors for Company Reporting, Freighting Goods table for each mode of transport.	The calculation uses a combination of the distance-based and spend-based methodology. Where activity data is not available, freight spend is used to extrapolate emissions. Emissions = (Emission Factor by mode x distance of movement x Weight of shipment by mode)/(% of total freight spend with activity data)
	Description of the data quality of reported emissions	**Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**

Description of scope 3 methodologies and data used

Upstream scope 3 emissions continued		
	Description of the types and sources of data used to calculate emissions	**Description of the methodologies, allocation methods and assumptions used to calculate emissions**
Category 5, Waste generated from operations	**Activity data:** (Primary data) The quantities of hazardous, nonhazardous, recycled and e-waste generated during operations were obtained from the Company's HSE data management system. The data also includes the treatment methods recycling, landfill, incineration with and without energy recovery and others. **Emissions factors:** (Secondary data) The emission factors are from the US EPA GHG Emission Factors Hub, Table 9.	The calculation uses the Waste-Type-Specific methodology. Where data is unavailable (does not meet reporting threshold of 10,000 square feet facility or some rental facilities), activity data is extrapolated considering region and facility type. For 2019, we back-cast emissions based on 2022 waste quantities, the 2019 DEFRA Conversion Factor and 2019 revenue. The back-casting of 2022 waste quantities is based on the facilities under operational control in 2022. Emissions = (emission factor by waste type and disposal method) x (amount of waste by type and disposal method)
	Description of the data quality of reported emissions	**Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Category 6, Business travel	**Activity data:** (Primary data) Distance per mode of transportation and number of hotel nights Baker Hughes employees booked in the reporting year is collected by Baker Hughes external partners, namely our travel management partner and preferred rental car providers. (Primary data) Distance travelled by personal use of car for business travel as reported in Baker Hughes expense management system. **Emissions factors:** (Secondary data) Emission factors for rental cars are from EPA by car class and GWP values as reported within the IPCC Fifth Assessment Report (Secondary data) Emission factors for hotel are from DEFRA GHG Conversion Factors for Company Reporting – "Hotel stay." Where data is not available by country, an average emission factor is applied. (Secondary data) Emission factors for air are from DEFRA's GHG Conversion Factors considering flight types (short haul, longhaul) and cabin class. (Secondary data) Emission factors for rail are from DEFRA's GHG Conversion Factors considering national and international rail. (Secondary data) Emission factors for personal cars used for business travel are from country-specific sources. US – EPA Emission Factors Hub; India – India GHG Program; UK & all other countries – DEFRA Conversion Factors. (Secondary data) Emission factor for public transportation spend is from US EPA USEEIO matrices	The calculation uses the distance-based methodology for travel and hotel stays and spend-based methodology for expenses. Emissions = Σ (distance travelled by vehicle type (vehicle-km or passenger-km) × vehicle specific emission factor (kg CO_2e/vehicle-km or kg CO_2e/passenger-km)) + Σ (annual number of hotel nights (nights) × hotel emission factor (kg CO_2e/night)) + ((Σ (Expenses claimed for public transport) - Σ (Expenses covered by other reports)) x EEIO emission factor (kg CO_2e/$)) Reports used for other travel expenses include reports from third party travel vendors.
	Description of the data quality of reported emissions	**Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**85%**

Note 8 - Scope 3 additional disclosures continued

Description of scope 3 methodologies and data used

	Description of the types and sources of data used to calculate emissions	Description of the methodologies, allocation methods and assumptions used to calculate emissions
Upstream scope 3 emissions continued		
Category 7, Employee commuting	**Activity data:** (Primary data) Employee count from human capital management system and direct employee commuting data (mode, distance, frequency) taken by a company wide survey. (Secondary data) Estimated one-way commute miles from US Department of Transportation, Federal Highway Administration, 2010 Status of the Nation's Highways, Bridges and Transit: Conditions & Performance (https://www.fhwa.dot.gov/policy/2010cpr/execsum.cfm for 2019 and https://www.fhwa.dot.gov/policyinformation/statistics/2020/vm1.cfm for 2021) **Emissions factors:** (Secondary data) Emissions factors from EPA GHG Emissions Factors Hub – Table 10 Scope 3 Category 6 and 7.	This calculation uses the average-data method and assumes an average distance travelled each day, number of employees working from home and 48 working weeks in a year with a 5-day work week. Assumes car travel is representative of employee commuting behaviors as other data is not available. We aspire to improve the data quality in the future by surveying our employee base. Emissions = total distance travelled by vehicle type x Σ ((# Employees - # Employees working remotely) x distance travelled from work to home / day (one-way) x 2 x number of commuting days per year) OR Emissions = Distance travelled x Emission factor per vehicle type x frequency of commute. This is only applicable to employees who responded to the survey.
	Description of the data quality of reported emissions	**Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Downstream scope 3 emissions		
Category 9, Downstream transportation and distribution	**Activity data:** (Secondary data) Category 4 emissions from upstream transportation and distribution and estimated percentage of Baker Hughes purchased shipments vs. third-party purchased shipments, based on Incoterms weighted by activity. (Secondary data) Revenue data, along with Incoterm weighting, is used to estimate emissions for category 9.	This calculation uses a combination of distance-based and spend-based methods. Emissions are estimated for category 9 by extrapolating emissions from category 4 based on revenue. Emissions = (emissions from outbound category 4) x (ratio of BH-purchased vs. not purchased)
	Description of the data quality of reported emissions	**Fair**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Category 11, Use of sold products	**Activity data:** (Primary data) Revenue, sales, build plan packaging data for products and operating hours for service delivery. (Primary data) Product specifications and subject-matter-expert testimony. **Emissions factors:** (Secondary data) See GHG Emission Factors table in Note 2 above.	We calculate direct use-phase emissions for products and services. Energy consumption, gas leakage, product utilization and estimated lifetime of products is based on product expert knowledge and technical calculations. Emissions are recognized once for the entire lifetime of products upon sale or completed build of the product, dependent on product type. Emissions = Sum of emissions (MT CO_2e) x qty sold in reporting year (functional unit) x expected life (years) x allocation factor
	Description of the data quality of reported emissions	**Good**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**
Category 15, Investments	**Activity data:** (Primary data) Revenue and industry of equity investments which are not consolidated into the Company's financial statements. Emissions factors are US EEIO Emission Factors - which are mapped to the primary business purpose for each investment.	This estimation uses the average data method, by taking reported revenue data from the invested companies and applying an emissions factor based on the purpose of the business. Where investments do not report revenue (e.g. due to being pre-revenue or inactive), no emissions are calculated. Emissions = ($ revenue) x (EEIO Emissions Factor)
	Description of the data quality of reported emissions	**Fair**
	Percentage of emissions calculated using data obtained from suppliers or other value chain partners	**0%**

Statement and Notes on Waste

Statement on Waste results in Metric Tons (MT)

Metric	Key performance indicators	2022	2023
Waste	Waste generated (MT)	235,403.0	216,808.8
	Waste generated - Hazardous waste (MT)	120,298.0	80,293.3
	Waste generated - Non-Hazardous waste (MT)	87,434.0	106,844.4
	Waste generated - E-waste (MT)	188.0	124.2
	Waste generated - Metals (MT)	27,483.0	29,547.0
	Waste recycled (MT)	57,666.0	60,919.7
	Waste recycled - Hazardous waste (MT)	7,761.0	5,660.2
	Waste recycled - Non-Hazardous waste (MT)	22,249.0	25,601.2
	Waste recycled - E-waste (MT)	173.0	111.3
	Waste recycled - Metals (MT)	27,483.0	29,547.0
	Waste disposed (MT)	177,737.0	155,889.1
	Waste disposed - Hazardous waste (MT)	112,537.0	74,633.1
	Waste disposed - Non-Hazardous waste (MT)	65,185.0	81,243.2
	Waste disposed - E-waste (MT)	15.0	12.9
	Waste disposed - Metals (MT)	0.0	0.0
	Hazardous waste - Offsite preparation for reuse (MT)	629.0	559.0
	Hazardous waste - Offsite reclamation (MT)	3.0	4.3
	Hazardous waste - Offsite recycling (MT)	0.0	0.0
	Hazardous waste - Offsite material recovery operations (MT)	0.0	0.0
	Hazardous waste - Other offsite recovery options (MT)	7,129.0	5,096.9
	Non-hazardous waste - Offsite preparation for reuse (MT)	801.0	1,154.6
	Non-hazardous waste - Offsite reclamation (MT)	221.0	349.2
	Non-hazardous waste - Offsite recycling (MT)	0.0	0.0
	Non-hazardous waste - Offsite material recovery operations (MT)	0.0	0.0
	Non-hazardous waste - Other offsite recovery options (MT)	21,227.0	24,097.4
	E-waste - Offsite preparation for reuse (MT)	6.0	1.8
	E-waste - Offsite reclamation (MT)	0.0	0.0
	E-waste - Offsite recycling (MT)	167.0	109.5
	E-waste - Offsite material recovery operations (MT)	0.0	0.0

Metric	Key performance indicators	2022	2022
Waste	E-waste - Offsite material recovery operations (MT)	0.0	0.0
	E-waste - Other offsite recovery options (MT)	0.0	0.0
	Metals - Offsite preparation for reuse (MT)	0.0	0.0
	Metals - Offsite reclamation (MT)	0.0	0.0
	Metals - Offsite recycling (MT)	0.0	0.0
	Metals - Offsite material recovery operations (MT)	0.0	0.0
	Metals - Other offsite recovery options (MT)	0.0	0.0
	Total waste prevented (MT)	1,266.0	2,462.5
	Hazardous waste - Offsite incineration with energy recovery (MT)	978.0	14,239.4
	Hazardous waste - Offsite incineration without energy recovery (MT)	2,062.0	867.6
	Hazardous waste - Offsite landfilling (MT)	4,210.0	3,133.7
	Hazardous waste - Other offsite disposal operations (MT)	105,287.0	56,392.3
	Hazardous waste - Disposal (MT)	112,537.0	74,633.1
	Non-hazardous waste - Offsite incineration with energy recovery (MT)	1,940.0	3,001.4
	Non-hazardous waste - Offsite incineration without energy recovery (MT)	1,875.0	1,013.0
	Non-hazardous waste - Offsite landfilling (MT)	24,986.0	22,878.8
	Non-hazardous waste - Other offsite disposal operations (MT)	36,384.0	54,350.0
	Non-hazardous waste - Disposal (MT)	65,185.0	81,243.2
	E-waste - Offsite incineration with energy recovery (MT)	0.0	0.0
	E-waste - Offsite incineration without energy recovery (MT)	0.0	0.0
	E-waste - Offsite landfilling (MT)	0.0	0.0
	E-waste - Other offsite disposal operations (MT)	0.0	0.0
	E-waste - Disposal (MT)	15.0	12.9

Note 1 - Basis of presentation

The Statement and Notes on Waste have been prepared for the year from January 1, 2023 to December 31, 2023 and for the year January 1, 2022 and December 31, 2022, corresponding to the Company's fiscal year.. We have prepared the Statement and Notes on Waste in accordance with select GRI standards: GRI 306 Waste 2020, as further disclosed in Note 4. Key terms used are defined in Note 5 and in the GRI Standards Glossary.

Note 2 – Reporting boundary

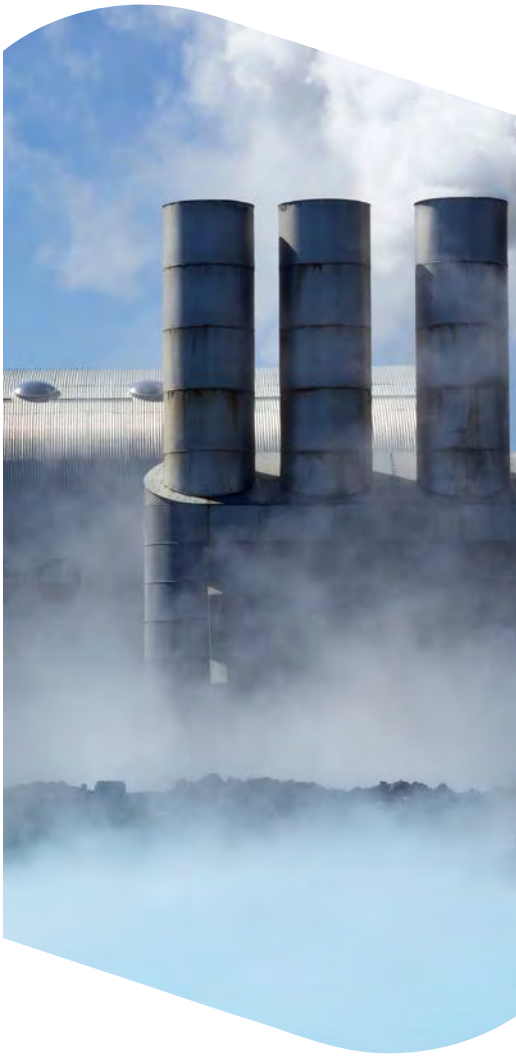
We present our waste volume from operations over which we, or one of our subsidiaries, has the full authority to introduce and implement its operating policies. Minority-owned (add dash) joint ventures not operated by the Company are excluded from the reporting boundary.

Note 3 – Use of estimates and estimation uncertainties

We base our estimates and methodologies on historical experience, available information and various other assumptions that we believe to be reasonable. Waste volume presented are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Note 4 - Methodology of selected waste metrics

The volume (metric ton) and waste type is obtained from third party vendors using the Company's HSE data management system. Where data from third party vendors are not available for a certain location, we estimate the volume by extrapolating the square footage of the location and the actual volume for the waste type of a similar location. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.



Metric	Criteria	Key performance indicators	Methodology
Waste generated	GRI 306-3	• Total waste generated • Hazardous waste generated • Non-hazardous waste generated • E-waste generated • Metal waste generated	Total waste generated = ∑ Hazardous waste generated, non-hazardous waste generated, e-waste generated, metals waste generated
Waste diverted from disposal by waste type	GRI 306-4	• Total waste recycled • Hazardous waste recycled • Non-hazardous waste generated • E-waste recycled • Metal waste recycled	Total waste diverted from disposal from Baker Hughes operations through recycling Total waste diverted from disposal = ∑ Hazardous waste diverted from disposal, non-hazardous waste diverted from disposal, e-waste diverted from disposal, metals waste diverted from disposal

Metric	Criteria	Key performance indicators	Methodology
Waste diverted from disposal by recovery operation	GRI 306-4	• Hazardous waste diverted from disposal by recovery operation • Non-hazardous waste diverted from disposal by recovery operation • E-waste diverted from disposal by recovery operation • Metal waste diverted from disposal by recovery operation	Total waste diverted from disposal from Baker Hughes operations Total waste diverted from disposal = ∑ Hazardous waste diverted from disposal, non-hazardous waste diverted from disposal, e-waste diverted from disposal, metals waste diverted from disposal Each respective component of this calculation is broken down in categories of recovery of operations, preparation of reuse, reclamation, recycling and other recovery operations.
Waste directed to disposal by waste type	GRI 306-5	• Total waste disposed • Hazardous waste disposed • Non-hazardous waste disposed • E-waste disposed • Metal waste disposed	Total weight of waste directed to disposal in metric tons by waste type Total waste directed to disposal = ∑ Hazardous waste directed to disposal, non-hazardous waste directed to disposal, e-waste directed to disposal, metal waste directed to disposal
Waste directed to disposal by disposal operation	GRI 306-5	• Hazardous waste disposed by disposal operation • Non-hazardous waste disposed by disposal operation • E-waste disposed by disposal operation • Metal waste disposed by disposal operation	Total waste directed to disposal from Baker Hughes operations Total waste directed to disposal = ∑ Hazardous waste directed to disposal, non-hazardous waste directed to disposal, e-waste directed to disposal, metals waste directed to disposal Each respective component of this calculation is broken down in categories of disposal operation categories: Incineration (with energy recovery), Incineration (without energy recovery), landfilling and other disposal operations.
Waste prevented	GRI 306-4	Total waste that was prevented from waste disposal by converting into products	The sum of total waste prevented equals the volume of material that was converted from a waste to a product.

Note 5 - Glossary of terms

Term	Definition
Hazardous waste	Waste disposed that possesses any of the characteristics contained in Annex III of the Basel Convention or that is considered to be hazardous by national legislation
Non-hazardous waste	All other waste not classified as hazardous, e-waste or metal waste
Electronic waste (e-waste)	Loosely discarded, surplus, obsolete, broken, electrical or electronic devices, such as computers, copiers, fax machines, etc.
Metal waste	Metals are materials that are hard, lustrous, malleable, ductile and sonorous, such as iron, copper, aluminum, calcium, magnesium, etc.

Appendix C: Stakeholder Engagements

Stakeholder Engagement

Interpreting this section

Stakeholder engagement provides us the opportunity to gain the valuable insights and impactful participation needed to be a global leader for a lower carbon future.

We identify organizations that align with our purpose, strategy, core values, corporate commercial and sustainability strategies and policy positions and facilitate collaboration to help advance our strategic goals and objectives. Our contributions to associations, think tanks, consortiums and academic partnerships across our businesses and geographies help shape the future of energy. To read more about the policies used to select our partners, please see our Stakeholder Engagement Policy.

We worked with several key organizations including:

- **American Fuel and Petrochemical Manufacturers**
- **American Petroleum Institute**
- **Ammonia Energy Association**
- **Confindustria**
- **European Geothermal Energy Council**
- **Geothermal Rising**
- **Global Carbon Capture and Storage Institute**
- **Hydrogen Council**
- **Hydrogen Europe**
- **IEA Greenhouse Gas Research and Development Program**
- **International Geothermal Association**
- **International Labor Organization**
- **International Association of Oil and Gas Producers**
- **International Renewable Energy Agency**
- **Ipieca**
- **Keystone Policy Center**
- **Long Duration Energy Storage Council**
- **National Petroleum Council**
- **Oil and Gas Climate Initiative**
- **Offshore Energies UK**
- **Resources for the Future**
- **The Nature Conservancy**
- **United Nations Environmental Program**
- **World Cement Association**
- **World Resources Institute**

Inia Oboigbato, Senior Finance Manager, IET

This chart illustrates our systems and processes for engaging with a wide variety of internal and external stakeholder groups.

Stakeholder	Forms of engagement	Frequency	Example engagement
Customers	Global, regional and local industry events, forums and conferences. Proprietary Company events and meetings. Partnerships and working groups to advance best practices.	Our senior leaders and commercial teams actively participate in hundreds of customer events and meetings across the globe.	We have partnered with HIF Global, the world's leading eFuels company, on the development of technology to capture carbon dioxide directly from the atmosphere (DAC). HIF Global and Baker Hughes intend to test Baker Hughes' Mosaic DAC technology pilot units to accelerate DAC deployment at commercial scale.
Investors	Via public quarterly earnings calls, annual shareholder meeting, executive meetings and presentations. Outreach program led by our Investor Relations group, the Corporate Secretary's Office and Executive Compensation Team.	We inform our investors and analysts about our operations formally on a quarterly and annual basis, as well as proactively engage in year-round integrated outreach, to monitor developments in corporate governance and sustainability.	Please see our Investor Relations website for additional information on engagements in 2023.
Employees	We engage with employees through town hall meetings, interactive online forums and people leader engagement. Thousands of employees belong to Employee Resource Groups, many with senior leader sponsors. Our CEO also meets regularly with the Employee Pulse Group.	We exchange ideas and feedback with our employees across a wide array of communications channels weekly, monthly, quarterly and annually.	Employee engagement on sustainability is outlined in the People section.
Governments	Formal and informal bilateral meetings with public officials at all levels of government. Lobbying and other direct engagement in compliance with applicable laws and regulations.	Given the breadth and scope of our industry and the global footprint in which we operate, Baker Hughes senior leaders across our operations engage with all levels of government on a regular basis.	We are participating in two important National Petroleum Council studies requested by the US Secretary of Energy on Reducing Emissions of Greenhouse Gases from the US Natural Gas Supply Chain and Deployment of Low Carbon Intensity Hydrogen Energy At-Scale. We are also proud to have been appointed in 2023 to the Texas Hydrogen Production Policy Council, an advisory council tasked with making recommendations to the Texas Legislature on state oversight and regulation of hydrogen infrastructure.
Communities	Civic engagement through economic development groups, chambers of commerce and related forums. Collaboration and social investments where we operate and in support of broader society.	We have ongoing dialogue with community partners on charitable projects and planning for employee volunteerism.	Community engagements are outlined in the People section.
Policy groups and associations	Membership participation across the globe. Working groups, committees and public-private partnership activities in industry groups and associations. Leadership and committee positions that extend and strengthen organizational capabilities.	Our participation in industry groups includes monthly, quarterly and annual meetings, events and engagement to advance best practices and policy positions.	Resources for the Future (RFF) is an independent, nonprofit research institution in Washington, DC whose mission is to improve environmental, energy and natural resource decisions through impartial economic research and policy engagement. We participated in RFF research interviews to help form and publish a report providing analysis and recommendations on federal policy to assist in ensuring a just transition.
Universities, institutions, and non-governmental organizations	Connections, collaborations and partnerships on a variety of shared business, industry, social and environmental interests globally.	We participate in multiple opportunities to collaborate with institutions and organizations on public policy, regulations, technology roadmaps and a variety of research projects.	Global CCS Institute is an international think tank whose mission is to accelerate the deployment of carbon capture and storage. We participated in and contributed to a CEO roundtable in Washington, DC with customers, government and stakeholders to discuss project challenges and policy solutions on a global scale.

Performance Index

Mathew Pompa, RDD Tech, OFSE

Introducing our Performance Index

As an energy technology company, we demonstrate leadership by excelling in sustainability performance. We are dedicated to enhancing how we track, measure and report our sustainability data, aligning the best practices in the industry. Despite the continuously evolving guidance and standards for corporate sustainability reporting, Baker Hughes' goal is to deliver investment-grade data. We report reliable, robust data and are committed to provide transparency in our reported information, subjected to validation and internal audit processes.

Interpreting this section

This is a consolidated view of all performance metrics collected. This is organized by our People, Planet and Principles framework, including a description of the performance indicator and the 2023 reported data. This section also includes metrics that are being retired this year.

Please note the color coding for external assurance levels as follows:

Light: The information was within the scope of limited assurance by KPMG for the respective period, as described in the Independent Accountants' Report within in this report, the Corporate Sustainability Report 2022 or the 2021 Corporate Responsibility Report.

Dark: The information was within the scope of reasonable assurance by KPMG for the respective period, as described in the Independent Accountants' Report within this report, the Corporate Sustainability Report 2022, or the 2021 Corporate Responsibility Report.

Ilaria Cabona, Project Engineer, IET |
Michele Lauriola, Systems Engineering Manager, IET

People performance index[1]

Metric	Key performance indicators	2021	2022	2023
Regular performance and career development reviews	% of employees receiving regular performance and career development reviews	Not available	75.0%	68.4%
	% of employees receiving regular performance and career development reviews by gender - Men	46.0%	72.8%	65.1%
	% of employees receiving regular performance and career development reviews by gender - Women	64.0%	84.0%	81.8%
	% of employees receiving regular performance and career development reviews by gender - Gender undeclared	44.0%	31.0%	26.9%
	% of employees receiving regular performance and career development reviews by gender - No gender selected	Not available	100.0%	100.0%
	% of employees receiving regular performance and career development reviews by career band - Professional Band and above (PB+) including Leadership Training Band (LTB)	Not available	Not available	92.1%
	% of employees receiving regular performance and career development reviews by career band - PB+ excluding LTB	86.0%	95.8%	92.1%
	% of employees receiving regular performance and career development reviews by career band - Senior Professional Band and above (SPB+)	86.0%	95.8%	92.9%
	% of employees receiving regular performance and career development reviews by career band - Executive Band and above (EB+)	Not available	94.1%	90.5%
	% of employees receiving regular performance and career development reviews by job function - Commercial	Not available	93.4%	88.1%
	% of employees receiving regular performance and career development reviews by job function - Enabling	Not available	95.3%	91.6%
	% of employees receiving regular performance and career development reviews by job function - Production	Not available	95.5%	56.5%
	% of employees receiving regular performance and career development reviews by job function - Technical	Not available	97.8%	95.0%
	% of employees receiving regular performance and career development reviews by job function - Other	Not available	0.0%	1.5%
Employees in leadership programs	# of employees participating in leadership development programs	393	527	401
	# of employees participating in each leadership development program - ASPIRE	243	300	257
	# of employees participating in each leadership development program - IMPACT	21	32	36
	# of employees participating in each leadership development programs - CULTIVATE	129	191	102
	# of employees participating in each leadership development program - ASCEND	Not available	4	6
	# of ASPIRE program participants that identify as women	124	155	116
	# of IMPACT program participants that identify as women	9	16	16

[1] Percentages are rounded to one decimal place. If a percentage shows as 0.0 it means that it is less than 0.05 percent. Not available represents data not reported in the cited reporting year.

Metric	Key performance indicators	2021	2022	2023
Community Contributions	Total amount of charitable pledges and contributions (USD)	$45,215,173	$75,272,787	$63,694,410
	Amount of employee-matched contributions made by the Baker Hughes Foundation (USD)	$669,215	$756,121	$855,067
	Amount of company and foundation financial pledges and contributions (USD)	$2,578,208	$1,992,500	$2,427,500
	Amount of company in-kind contributions (USD)	$41,967,750	$72,524,166	$60,411,843
	# of volunteer service hours	16,905	27,181	39,064
US employees - people of color	% of US employees who identify as people of color	35.8%	36.1%	38.3%
	% of US employees who identify as people of color by gender - Men	Not available	75.4%	76.6%
	% of US employees who identify as people of color by gender - Women	25.0 %	24.6%	23.4%
	% of US employees who identify as people of color by gender - Gender undeclared	Not available	0.0%	0.0%
	% of US employees who identify as people of color by gender - No gender selected	Not available	0.0%	0.0%
	% of US employees who identify as people of color by seniority - SPB+	31.6 %	32.1%	33.2%
	% of US employees who identify as people of color by seniority - EB+	Not available	28.6%	28.8%
Women in STEM roles	% of women in science, technology, engineering and mathematics (STEM) roles	11.2 %	12.1%	14.2%
Employee attrition	# of total employee attrition	Not available	6,609	5,812
	# of total employee attrition by gender - Men	Not available	5,291	4,512
	# of total employee attrition by gender - Women	Not available	1,274	1,213
	# of total employee attrition by gender - Gender undeclared	Not available	44	82
	# of total employee attrition by gender - No gender selected	Not available	Not available	5
	% of total employee attrition (rate)	12.0%	12.0%	10.2%
	% of total employee attrition (rate) by gender - Men	Not available	12.0%	9.9%
	% of total employee attrition (rate) by gender - Women	Not available	12.1%	11.1%
	% of total employee attrition (rate) by gender - Gender undeclared	Not available	16.5%	191.4%[2]
	% of total employee attrition (rate) by gender - No gender selected	Not available	0.0%	85.7%
	# of total employee attrition by region - Asia Pacific (APAC)	Not available	647	643
	# of total employee attrition by region - Russia and Commonwealth of Independent States (RCIS)	Not available	1,019	105
	# of total employee attrition by region - Middle East, North Africa, Turkey and India (MENATI)	Not available	909	865
	# of total employee attrition by region - North America (NAM)	Not available	1,990	2,019
	# of total employee attrition by region - Latin America (LATAM)	Not available	505	602
	# of total employee attrition by region - Sub-Saharan Africa (SSA)	Not available	67	78

[2] The annualized attrition rate of this KPI can be heavily impacted by minor changes due to the relatively small population of total employees that are gender undeclared. This population can be referenced in the KPI '# of total employees by gender - Gender undeclared' as reported in the performance index under the Employee Counts metric.

Metric	Key performance indicators	2021	2022	2023
Employee attrition continued	# of total employee attrition by region - Europe	Not available	1,472	1,500
	% of total employee attrition (rate) by region - APAC	Not available	9.4%	9.0%
	% of total employee attrition (rate) by region - RCIS	Not available	34.9%	16.1%
	% of total employee attrition (rate) by region - MENATI	Not available	9.9%	8.9%
	% of total employee attrition (rate) by region - NAM	Not available	15.0%	14.7%
	% of total employee attrition (rate) by region - LATAM	Not available	9.1%	9.6%
	% of total employee attrition (rate) by region - SSA	Not available	7.1%	7.1%
	% of total employee attrition (rate) by region - Europe	Not available	9.1%	8.3%
	# of total employee attrition by age group - under 30	Not available	1,088	905
	# of total employee attrition by age group - 30-50	Not available	4,247	3,608
	# of total employee attrition by age group - over 50	Not available	1,274	1,299
	# of total employee attrition by age group - No age selected	Not available	0	0
	% of total employee attrition (rate) by age group - under 30	Not available	19.1%	14.4%
	% of total employee attrition (rate) by age group - 30-50	Not available	11.1%	9.4%
	% of total employee attrition (rate) by age group - over 50	Not available	11.6%	10.8%
	% of total employee attrition (rate) by age group - No age selected	Not available	0.0%	0.0%
Voluntary attrition	# of voluntary attrition	4,371	4,714	3,992
	# of voluntary attrition by gender - Men	3,558	3,739	3,162
	# of voluntary attrition by gender - Women	812	974	823
	# of voluntary attrition by gender - Gender undeclared	Not available	1	5
	# of voluntary attrition by gender - No gender selected	Not available	0	2
	% of voluntary attrition (rate)	8.1%	8.6%	7.0%
	% of voluntary attrition (rate) by gender - Men	8.1%	8.5%	6.9%
	% of voluntary attrition (rate) by gender - Women	8.1%	9.3%	7.5%
	% of voluntary attrition (rate) by gender - Gender undeclared	Not available	0.4%	11.7%
	% of voluntary attrition (rate) by gender - No gender selected	Not available	0.0%	34.3%
	# of voluntary attrition by region - APAC	Not available	556	469
	# of voluntary attrition by region - RCIS	Not available	391	54
	# of voluntary attrition by region - MENATI	Not available	657	656
	# of voluntary attrition by region - NAM	Not available	1,608	1,301

Metric	Key performance indicators	2021	2022	2023
Voluntary attrition continued	# of voluntary attrition by region - LATAM	Not available	363	378
	# of voluntary attrition by region - SSA	Not available	49	61
	# of voluntary attrition by region - Europe	Not available	1,090	1,073
	% of voluntary attrition (rate) by region - APAC	Not available	8.1%	6.6%
	% of voluntary attrition (rate) by region - RCIS	Not available	13.4%	8.3%
	% of voluntary attrition (rate) by region - MENATI	Not available	7.2%	6.7%
	% of voluntary attrition (rate) by region - NAM	Not available	12.1%	9.5%
	% of voluntary attrition (rate) by region - LATAM	Not available	6.5%	6.0%
	% of voluntary attrition (rate) by region - SSA	Not available	5.2%	5.5%
	% of voluntary attrition (rate) by region - Europe	Not available	6.7%	5.9%
	# of voluntary attrition by age group - under 30	Not available	858	724
	# of voluntary attrition by age group - 30-50	Not available	3,082	2,558
	# of voluntary attrition by age group - over 50	Not available	774	710
	# of voluntary attrition by age group - No age selected	Not available	0	0
	% of voluntary attrition (rate) by age group - under 30	Not available	15.1%	11.5%
	% of voluntary attrition (rate) by age group - 30-50	Not available	8.0%	6.7%
	% of voluntary attrition (rate) by age group - over 50	Not available	7.1%	5.9%
	% of voluntary attrition (rate) by age group - No age selected	Not available	0.0%	0.0%
New candidates hired	# of internal candidates hired	Not available	4,983	4,620
	# of internal candidates hired by gender - Men	Not available	3,734	3,491
	# of internal candidates hired by gender - Women	Not available	1,247	1,128
	# of internal candidates hired by gender - Gender undeclared	Not available	1	1
	# of internal candidates hired by gender - No gender selected	Not available	1	0
	# of internal candidates hired by region - APAC	Not available	478	363
	# of internal candidates hired by region - RCIS	Not available	84	31
	# of internal candidates hired by region - MENATI	Not available	781	634
	# of internal candidates hired by region - NAM	Not available	1,615	1,346
	# of internal candidates hired by region - LATAM	Not available	428	514
	# of internal candidates hired by region - SSA	Not available	63	55
	# of internal candidates hired by region - Europe	Not available	1,534	1,677
	# of internal candidates hired by age group - under 30	Not available	807	758

Metric	Key performance indicators	2021	2022	2023
New candidates hired continued	# of internal candidates hired by age group - 30-50	Not available	3,702	3,367
	# of internal candidates hired by age group - over 50	Not available	474	495
	# of internal candidates hired by age group - No age selected	Not available	Not available	0
	# of external candidates hired	6,516	10,733	10,171
	# of external candidates hired by gender - Men	4,790	7,182	7,793
	# of external candidates hired by gender - Women	1,726	2,377	2,333
	# of external candidates hired by gender - Gender undeclared	Not available	1,174	45
	# of external candidates hired by gender - No gender selected	Not available	Not available	0
	# of external candidates hired by region - APAC	Not available	1,166	1,022
	# of external candidates hired by region - RCIS	Not available	247	94
	# of external candidates hired by region - MENATI	Not available	1,707	1,697
	# of external candidates hired by region - NAM	Not available	3,157	1,994
	# of external candidates hired by region - LATAM	Not available	1,437	1,619
	# of external candidates hired by region - SSA	Not available	189	278
	# of external candidates hired by region - Europe	Not available	2,830	3,467
	# of external candidates hired by age group - under 30	Not available	3,515	4,007
	# of external candidates hired by age group - 30-50	Not available	6,353	5,224
	# of external candidates hired by age group - over 50	Not available	865	940
	# of external candidates hired by age group - No age selected	Not available	0	0
Employee counts	# of total employees	53,996	55,235	57,570
	# of total employees by region - APAC	Not available	7,081	7,199
	# of total employees by region - RCIS	Not available	681	636
	# of total employees by region - MENATI	Not available	9,486	9,935
	# of total employees by region - NAM	Not available	14,080	13,566
	# of total employees by region - LATAM	Not available	5,828	6,421
	# of total employees by region - SSA	Not available	1,006	1,152
	# of total employees by region - Europe	Not available	17,073	18,661
	# of total full time employees	Not available	54,490	56,785
	# of total full time employees by region - APAC	Not available	7,026	7,124
	# of total full time employees by region - RCIS	Not available	679	635
	# of total full time employees by region - MENATI	Not available	9,475	9,911

Metric	Key performance indicators	2021	2022	2023
Employee counts continued	# of total full time employees by region - NAM	Not available	14,046	13,538
	# of total full time employees by region - LATAM	Not available	5,745	6,298
	# of total full time employees by region - SSA	Not available	997	1,150
	# of total full time employees by region - Europe	Not available	16,522	18,129
	# of total part time employees	Not available	745	785
	# of total part time employees by region - APAC	Not available	55	75
	# of total part time employees by region - RCIS	Not available	2	1
	# of total part time employees by region - MENATI	Not available	11	24
	# of total part time employees by region - NAM	Not available	34	28
	# of total part time employees by region - LATAM	Not available	83	123
	# of total part time employees by region - SSA	Not available	9	2
	# of total part time employees by region - Europe	Not available	551	532
	# of total employees by gender - Men	Not available	43,535	46,343
	# of total employees by gender - Women	Not available	10,554	11,200
	# of total employees by gender - Gender undeclared	Not available	1,140	26
	# of total employees by gender - No gender selected	Not available	6	1
	# of total full time employees by gender - Men	Not available	43,107	45,903
	# of total full time employees by gender - Women	Not available	10,238	10,855
	# of total full time employees by gender - Gender undeclared	Not available	1,139	26
	# of total full time employees by gender - No gender selected	Not available	6	1
	# of total part time employees by gender - Men	Not available	428	440
	# of total part time employees by gender - Women	Not available	316	345
	# of total part time employees by gender - Gender undeclared	Not available	1	0
	# of total part time employees by gender - No gender selected	Not available	0	0
	# of total employees by age group - under 30	Not available	5,606	6,529
	# of total employees by age group - 30-50	Not available	38,352	38,675
	# of total employees by age group - over 50	Not available	11,274	12,365
	# of total employees by age group - No age selected	Not available	3	1
	# of total SPB+ employees	Not available	8,944	8,959
	# of total EB+ employees	Not available	639	590
	# of total employees by job function - Commercial	Not available	4,968	4,900

People Performance Index continued

Metric	Key performance indicators	2021	2022	2023
Employee counts continued	# of total employees by job function - Enabling	Not available	6,583	6,308
	# of total employees by job function - Production	Not available	32,112	33,445
	# of total employees by job function - Technical	Not available	10,389	10,898
	# of total employees by job function - Other	Not available	1,183	2,019
	# of employees by generation group - Greatest	Not available	0	0
	# of employees by generation group - Silent	Not available	8	7
	# of employees by generation group - Boomers	Not available	4,117	3,775
	# of employees by generation group - Generation X	Not available	20,092	20,367
	# of employees by generation group - Generation Y	Not available	28,311	29,164
	# of employees by generation group - Generation Z	Not available	2,704	4,255
	# of employees by generation group - No generation selected	Not available	3	2

Rezi Aliaj, Chemical Engineer, OFSE

Metric	Key performance indicators	2021	2022	2023
Employees by gender	% of employees by gender - Men	Not available	78.8%	80.5%
	% of employees by gender - Women	Not available	19.1%	19.5%
	% of employees by gender - Gender Undeclared	Not available	2.1%	0.1%
	% of employees by gender - No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each job function - Commercial and Men	Not available	75.6%	75.4%
	% of employees by gender for each job function - Enabling and Men	Not available	49.0%	48.8%
	% of employees by gender for each job function - Production and Men	Not available	88.2%	87.8%
	% of employees by gender for each job function - Technical and Men	Not available	78.7%	77.7%
	% of employees by gender for each job function - Other and Men	Not available	4.2%	85.7%
	% of employees by gender for each job function - Commercial and Women	Not available	24.4%	24.5%
	% of employees by gender for each job function - Enabling and Women	Not available	51.0%	51.1%
	% of employees by gender for each job function - Production and Women	Not available	11.7%	12.2%
	% of employees by gender for each job function - Technical and Women	Not available	21.3%	22.3%
	% of employees by gender for each job function - Other and Women	Not available	0.5%	13.4%
	% of employees by gender for each job function - Commercial and Gender Undeclared	Not available	0.0%	0.0%
	% of employees by gender for each job function - Enabling and Gender Undeclared	Not available	0.0%	0.0%
	% of employees by gender for each job function - Production and Gender Undeclared	Not available	0.0%	0.0%
	% of employees by gender for each job function - Technical and Gender Undeclared	Not available	0.0%	0.0%
	% of employees by gender for each job function - Other and Gender Undeclared	Not available	95.3%	0.9%
	% of employees by gender for each job function - Commercial and No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each job function - Enabling and No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each job function - Production and No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each job function - Technical and No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each job function - Other and No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each seniority - SPB+ and Men	Not available	81.4%	81.6%
	% of employees by gender for each seniority - SPB+ and Women	18.1%	18.6%	18.4%
	% of employees by gender for each seniority - SPB+ and Gender undeclared	Not available	0.0%	0.0%
	% of employees by gender for each seniority - SPB+ and No gender selected	Not available	0.0%	0.0%
	% of employees by gender for each seniority - EB+ and Men	Not available	75.6%	76.4%
	% of employees by gender for each seniority - EB+ and Women	Not available	24.4%	23.6%
	% of employees by gender for each seniority - EB+ and Gender undeclared	Not available	0.0%	0.0%
	% of employees by gender for each seniority - EB+ and No gender selected	Not available	0.0%	0.0%

Metric	Key performance indicators	2021	2022	2023
Employees by gender continued	% of employees that are people managers by gender - Men	Not available	79.2%	80.9%
	% of employees that are people managers by gender - Women	Not available	18.8%	19.0%
	% of employees that are people managers by gender - Gender undeclared	Not available	2.0%	0.0%
	% of employees that are people managers by gender - No gender selected	Not available	0.0%	0.0%
	% of women-identifying employees on Board of Directors	Not available	33.0%	33.0%
Employees by age group	% of employees by age group - under 30	10.2%	10.2%	11.3%
	% of employees by age group - 30-50	70.4%	69.4%	67.2%
	% of employees by age group - over 50	19.4 %	20.4%	21.5%
	% of employees by age group - No age selected	Not available	0.0%	0.0%
	% of employees by age group for each job function - under 30 and Commercial	Not available	6.1%	6.0%
	% of employees by age group for each job function - under 30 and Enabling	Not available	10.9%	10.4%
	% of employees by age group for each job function - under 30 and Production	Not available	11.0%	11.9%
	% of employees by age group for each job function - under 30 and Technical	Not available	10.1%	12.0%
	% of employees by age group for each job function - under 30 and Other	Not available	0.9%	14.7%
	% of employees by age group for each job function - 30-50 and Commercial	Not available	68.8%	67.7%
	% of employees by age group for each job function - 30-50 and Enabling	Not available	69.4%	69.3%
	% of employees by age group for each job function - 30-50 and Production	Not available	68.9%	67.6%
	% of employees by age group for each job function - 30-50 and Technical	Not available	68.2%	66.5%
	% of employees by age group for each job function - 30-50 and Other	Not available	97.6%	56.6%
	% of employees by age group for each job function - over 50 and Commercial	Not available	25.2%	26.3%
	% of employees by age group for each job function - over 50 and Enabling	Not available	19.7%	20.3%
	% of employees by age group for each job function - over 50 and Production	Not available	20.1%	20.5%
	% of employees by age group for each job function - over 50 and Technical	Not available	21.7%	21.5%
	% of employees by age group for each job function - over 50 and Other	Not available	1.5%	28.7%
	% of employees by age group for each job function - Age group blank and Commercial	Not available	0.0%	0.0%
	% of employees by age group for each job function - Age group blank and Enabling	Not available	0.0%	0.0%
	% of employees by age group for each job function - Age group blank and Production	Not available	0.0%	0.0%
	% of employees by age group for each job function - Age group blank and Technical	Not available	0.0%	0.0%
	% of employees by age group for each job function - Age group blank and Other	Not available	0.0%	0.0%
	% of employees by age group for each seniority - under 30 and SPB+	Not available	0.3%	0.3%
	% of employees by age group for each seniority - under 30 and EB+	Not available	0.0%	0.0%
	% of employees by age group for each seniority - 30-50 and SPB+	Not available	67.4%	66.0%
	% of employees by age group for each seniority - 30-50 and EB+	Not available	65.7%	65.3%

Metric	Key performance indicators	2021	2022	2023
Employees by age group continued	% of employees by age group for each seniority - over 50 and SPB+	Not available	32.3%	33.7%
	% of employees by age group for each seniority - over 50 and EB+	Not available	34.3%	34.8%
	% of employees by age group for each seniority -No age selected and SPB+	Not available	0.0%	0.0%
	% of employees by age group for each seniority - No age selected and EB+	Not available	0.0%	0.0%
Parental leave[3]	# of employees entitled to parental leave	Not available	50,283	54,518
	# of employees entitled to parental leave by gender - Men	Not available	39,824	43,561
	# of employees entitled to parental leave by gender - Women	Not available	10,440	10,950
	# of employees entitled to parental leave by gender - Gender Undeclared	Not available	13	8
	# of employees entitled to parental leave by gender - No gender selected	Not available	6	1
	# of employees that took parental leave	Not available	300	805
	# of employees that took parental leave by gender - Men	Not available	210	585
	# of employees that took parental leave by gender - Women	Not available	90	218
	# of employees that took parental leave by gender - Gender Undeclared	Not available	0	2
	# of employees that took parental leave by gender - No gender selected	Not available	0	0
	# of employees that returned from leave in the reporting period following leave	Not available	237	705
	# of employees that returned from leave in the reporting period following leave by gender - Men	Not available	160	543
	# of employees that returned from leave in the reporting period following leave by gender - Women	Not available	76	161
	# of employees that returned from leave in the reporting period following leave by gender - Gender Undeclared	Not available	0	1
	# of employees that returned from leave in the reporting period following leave by gender - No gender selected	Not available	1	0
Employee resource group membership	# of employees enrolled in at least one employee resource group	7,163	8,099	9,085
	% of employees enrolled in at least one employee resource group	Not available	14.4%	15.5%
Employees by generation group	% of employees by generation group - Greatest	Not available	0.0%	0.0%
	% of employees by generation group - Silent	Not available	0.0%	0.0%
	% of employees by generation group - Boomers	Not available	7.5%	6.6%
	% of employees by generation group - Generation X	Not available	36.4%	35.4%
	% of employees by generation group - Generation Y	Not available	51.3%	50.7%
	% of employees by generation group - Generation Z	Not available	4.9%	7.4%
	% of employees by generation group - Generation left blank	Not available	0.0%	0.0%
Country representation	# of employees working outside the United States	Not available	42,442	45,398
	# of countries with employees	90	89	88
	# of nationalities represented by employees	Not available	157	157

[3] Parental leave data in 2022 is representative of the United States population only. Parental leave data in 2023 includes additional countries such as Canada, Germany, Malaysia, Qatar, Saudi Arabia, United Kingdom and the United States.

People Performance Index continued

Metric	Key performance indicators	2021	2022	2023
Average hours of training per year per employee	Average hours of training per employee	17	37	22
	Average hours of training per employee by gender - Men	18	39	23
	Average hours of training per employee by gender - Women	13	30	19
	Average hours of training per employee by gender - Gender undeclared	11	6	8
	Average hours of training per employee by gender - No gender selected	Not available	Not available	8
	Average hours of training per employee by career band - PB+ including LTB	Not available	Not available	17
	Average hours of training per employee by career band - PB+ excluding LTB	12	24	16
	Average hours of training per employee by career band - SPB+	10	17	14
	Average hours of training per employee by career band - EB+	Not available	12	16
	Average hours of training per employee by operating segment - Industrial and Energy Technology	Not available	18	16
	Average hours of training per employee by operating segment - Oilfield Services and Equipment	Not available	51	26
	Average hours of training per employee by operating segment - Headquarters	Not available	18	15
	Average hours of training per employee by job function - Commercial	Not available	16	13
	Average hours of training per employee by job function - Enabling	Not available	20	15
	Average hours of training per employee by job function - Production	Not available	51	28
	Average hours of training per employee by job function - Technical	Not available	18	15
	Average hours of training per employee by job function - Other	Not available	5	6
Local and diverse spend with suppliers	Amount spent (USD) with diverse suppliers and small businesses Tier 1[4]	Not available	Not available	$378,661,639
	Amount spent (USD) with diverse suppliers and small businesses Tier 2	Not available	Not available	$31,090,700
	Amount spent (USD) with diverse suppliers and small businesses Total	Not available	Not available	$409,752,339

[4] Data disclosed in prior reports followed different methodology and therefore not included in 2023 Performance Index.

Retired People metrics and key performance indicators

In conjunction with our commitment to reporting reliable investor-grade data, we are simultaneously committed to providing transparency in what we disclose and how we decide to retire metrics and key performance indicators (KPIs) that are no longer in line with the changing regulatory landscape. We conduct a thorough review following documented processes, requiring the approval of our Chief Sustainability Officer to determine if and when to retire metrics or KPIs. The below denotes the metrics retired as of this cycle and the reasoning.

Metric	Key performance indicators	Reasoning
Professional development planning with manager	# of employees completing professional development planning with their manager	Through matured reporting capabilities, the 'Regular performance and career development reviews' metric more closely aligns to GRI. Retiring metric as not aligned to GRI requirements.
Regular performance and career development review	% of PB+ employees receiving regular performance and career development reviews by gender - Men	KPIs not aligned to GRI requirement therefore retiring to focus on streamlined reporting. The 'Regular performance and career development reviews' metric reported in 2023 represent all effective employees to align to GRI requirements.
	% of PB+ employees receiving regular performance and career development reviews by gender - Women	
	% of PB+ employees receiving regular performance and career development reviews by gender - Gender undeclared	
	% of PB+ employees receiving regular performance and career development reviews by gender - No gender selected	

Field Service Engineers, IET

Planet performance index

Metric	Key performance indicators	2019	2022[5]	2023
Greenhouse gas emissions	Reduction in scope 1 and scope 2 GHG emissions compared to 2019 base year (MT CO_2e)	Base year	217,251.0	226,574.0
	Total scope 1 emissions (MT CO_2e)	501,791.1	376,172.5	383,096.1
	Scope 1 - Facilities emissions (MT CO_2e)	162,708.8	111,871.5	107,084.7
	Scope 1 - Field emissions (MT CO_2e)	197,666.4	172,058.1	183,301.6
	Scope 1 - Fleet emissions (MT CO_2e)	141,416.0	92,242.9	92,709.7
	Total scope 2 indirect emissions - Market based (MT CO_2e)	299,296.1	193,933.4	191,417.1
	Total scope 2 indirect emissions - Location based (MT CO_2e)	307,082.4	210,902.1	217,941.0
	Total reported scope 3 emissions (MT CO_2e)	236,832,567	252,414,204	433,728,176
	Scope 3 category 1 - Purchased goods and services	4,587,993	5,718,784	6,368,267
	Scope 3 category 2 - Capital goods	167,703	233,574	147,120
	Scope 3 category 3 - Fuel- and energy-related activities (not included in scope 1 or scope 2)	186,887	136,224	143,841
	Scope 3 category 4 - Upstream transportation and distribution	670,580	317,937	331,325
	Scope 3 category 5 - Waste generated in operations	136,287	79,284	108,781
	Scope 3 category 6 - Business travel	102,015	56,454	68,967
	Scope 3 category 7 - Employee commuting	186,849	101,404	152,870
	Scope 3 category 9 - Downstream transportation and distribution	482,549	359,773	260,844
	Scope 3 category 11 - Use of sold products	230,203,237	244,794,528	425,927,694
	Scope 3 category 15 - Investments	108,467	616,242	218,467
	Scope 1 per $ revenue	0.000021	0.000018	0.000015
	Scope 2 per $ revenue	0.00001256	0.000009	0.00000750
	Scope 3 per $ revenue	0.00993500	0.01193100	0.01700500
	Total per $ revenue	0.00996869	0.01195804	0.01702747
	Scope 1 - CO_2	499,534.6	370,644.0	378,868.4
	Scope 1 - CH_4	388.0	4,613.0	3,295.8
	Scope 1 - N_2O	1,509.6	908.0	931.9
	Scope 1 - HFCs (only HFC-134a)	358.8	7.0	0.0
	Scope 1 - PFCs	0.0	0.0	0.0
	Scope 1 - NF_3	0.0	0.0	0.0
	Scope 1 - SF_6	0.0	0.0	0.0

[5] 2022 emissions are presented as previously reported for the year ended December 31, 2022, and have not been recalculated to be consistent with the 2023 and 2019 base year presentation in the Statement of Greenhouse Gas CO_2e Emissions on pages 148-159.

Metric	Key performance indicators	2019	2022[5]	2023
Greenhouse gas emissions continued	Scope 2, Location Based- CO_2	305,737.5	209,987.0	216,967.2
	Scope 2, Location Based- CH_4	452.9	326.0	328.2
	Scope 2, Location Based- N_2O	892.1	589.0	645.6
	Scope 2, Location Based- HFCs	Not applicable	Not applicable	Not applicable
	Scope 2, Location Based- PFCs	Not applicable	Not applicable	Not applicable
	Scope 2, Location Based - NF_3	Not applicable	Not applicable	Not applicable
	Scope 2, Location Based- SF_6	Not applicable	Not applicable	Not applicable
	Scope 2, Market Based- CO_2	298,160.2	193,239.0	190,720.0
	Scope 2, Market Based- CH_4	376.5	233.0	219.5
	Scope 2, Market Based- N_2O	759.4	461.0	477.7
	Scope 2, Market Based- HFCs	Not applicable	Not applicable	Not applicable
	Scope 2, Market Based- PFCs	Not applicable	Not applicable	Not applicable
	Scope 2, Market Based - NF_3	Not applicable	Not applicable	Not applicable
	Scope 2, Market Based- SF_6	Not applicable	Not applicable	Not applicable

Metric	Key performance indicators	2022	2023
Energy	% of electricity from zero-emission sources	26.0%	29.8%
	% of electricity from renewable sources	22.7%	28.1%
	Total electricity (MWh)	604,093.0	585,164.5
	Renewable electricity (MWh)	137,327.0	164,597.2
	Non-renewable electricity (MWh)	466,766.0	420,567.3
	Total fuels (MWh)	1,609,878.8	1,633,706.4
	Diesel/Distillate (MWh)	875,343.5	915,945.9
	Natural gas (MWh)	472,915.4	449,519.8
	Gasoline/Petrol (MWh)	252,227.3	261,206.3
	Propane (MWh)	6,797.2	5,768.6
	Other fuels (MWh)	2,595.4	1,265.9
	Total purchased heating, cooling and steam (MWh)	Not available	8,830.8
	Purchased heating (MWh)	Not available	0.0
	Purchased cooling (MWh)	Not available	118.0
	Purchased steam (MWh)	Not available	8,712.8
	Total energy consumption within the organization (MWh)[6]	2,213,971.8	2,227,701.7
	Energy intensity (MWh/ $ of revenue)	0.000105	0.000087
	# of HSE energy assessments completed	152	76

[6] Prior to 2023, the metric "Total energy consumption without the organization (MWh) was reported as "Total energy (MWh)."

Metric	Key performance indicators	2022	2023
Energy transition business impacts and innovation	Number of product lifecycle assessments completed	43	313
	Number of product lifecycle assessments in progress	56	4
Spills	Significant spills (barrels)	827	535
	Oil spills (barrels)	37	14
	Fuel spills (barrels)	3	1
	Waste spills (barrels)	1	0
	Chemical spills (barrels)	378	110
	Hydrocarbon spills in the Arctic (barrels)	0	0
	Number and aggregate spill volume impacting shorelines with ESI rankings 8-9 (barrels)	0	0
	Hydrocarbon spill volume recovered (barrels)	37	10
Biodiversity	Number of IUCN Red List Species	392	433
	Number of species - Least concern	251	275
	Number of species - Near threatened	14	20
	Number of species - Vulnerable	78	77
	Number of species - Endangered	38	45
	Number of species - Critically endangered	11	16
	Production, imports and exports of ozone depleting substances (MT CFC-11 equivalent)	0	0
Water	Number of HSE water assessments completed	Not available	17
	Water withdrawn (ML)	3,214.0	2,984.5
	Water withdrawn from surface water (ML)	0.1	0.0
	Water withdrawn from groundwater (ML)	618.0	646.6
	Water withdrawn from municipal water supply (ML)	2,596.0	2,337.8
	Water withdrawn from seawater (ML)	0.2	0.0
	Water consumed (ML)	559.0	654.7
	Water discharged (ML)	2,655.0	2,329.7
	Water discharged to surface water (ML)	55.0	41.6
	Water discharged to groundwater (ML)	45.0	34.5
	Water discharged to municipal water supply (ML)	2,536.0	2,239.1
	Water discharged to seawater (ML)	19.0	14.5
	Water withdrawn in water-stressed areas (ML)	410.0	409.2
	Water withdrawn from surface water in water-stressed areas (ML)	0.1	0.0
	Water withdrawn from groundwater in water-stressed areas (ML)	152.0	137.3
	Water withdrawn from municipal water supply in water-stressed areas (ML)	258.0	271.9

Metric	Key performance indicators	2022	2023
Water continued	Water withdrawn from seawater in water-stressed areas (ML)	0.0	0.0
	Water consumed in water-stressed areas (ML)	13.0	23.4
	Water discharged in water-stressed areas (ML)	397.0	385.7
	Water discharged to surface water in water-stressed areas (ML)	27.0	15.2
	Water discharged to groundwater in water-stressed areas (ML)	15.0	8.1
	Water discharged to municipal water supply in water-stressed areas (ML)	349.0	353.3
	Water discharged to seawater in water-stressed areas (ML)	6.0	9.1
Waste	Waste generated (MT)	235,403.0	216,808.8
	Waste generated - Hazardous waste (MT)	120,298.0	80,293.3
	Waste generated - Non-Hazardous waste (MT)	87,434.0	106,844.4
	Waste generated - E-waste (MT)	188.0	124.2
	Waste generated - Metals (MT)	27,483.0	29,547.0
	Waste recycled (MT)	57,666.0	60,919.7
	Waste recycled - Hazardous waste (MT)	7,761.0	5,660.2
	Waste recycled - Non-Hazardous waste (MT)	22,249.0	25,601.2
	Waste recycled - E-waste (MT)	173.0	111.3
	Waste recycled - Metals (MT)	27,483.0	29,547.0
	Waste disposed (MT)	177,737.0	155,889.1
	Waste disposed - Hazardous waste (MT)	112,537.0	74,633.1
	Waste disposed - Non-Hazardous waste (MT)	65,185.0	81,243.2
	Waste disposed - E-waste (MT)	15.0	12.9
	Waste disposed - Metals (MT)	0.0	0.0
	Hazardous waste - Offsite preparation for reuse (MT)	629.0	559.0
	Hazardous waste - Offsite reclamation (MT)	3.0	4.3
	Hazardous waste - Offsite recycling (MT)	0.0	0.0
	Hazardous waste - Offsite material recovery operations (MT)	0.0	0.0
	Hazardous waste - Other offsite recovery options (MT)	7,129.0	5,096.9
	Non-hazardous waste - Offsite preparation for reuse (MT)	801.0	1,154.6
	Non-hazardous waste - Offsite reclamation (MT)	221.0	349.2
	Non-hazardous waste - Offsite recycling (MT)	0.0	0.0
	Non-hazardous waste - Offsite material recovery operations (MT)	0.0	0.0
	Non-hazardous waste - Other offsite recovery options (MT)	21,227.0	24,097.4

Metric	Key performance indicators	2022	2023
Waste	E-waste - Offsite preparation for reuse (MT)	6.0	1.8
	E-waste - Offsite reclamation (MT)	0.0	0.0
	E-waste - Offsite recycling (MT)	167.0	109.5
	E-waste - Offsite material recovery operations (MT)	0.0	0.0
	E-waste - Other offsite recovery options (MT)	0.0	0.0
	Metals - Offsite preparation for reuse (MT)	0.0	0.0
	Metals - Offsite reclamation (MT)	0.0	0.0
	Metals - Offsite recycling (MT)	0.0	0.0
	Metals - Offsite material recovery operations (MT)	27,483.0	29,547.0
	Metals - Other offsite recovery options (MT)	0.0	0.0
	Total waste prevented (MT)	1,266.0	2,462.5
	Hazardous waste - Offsite incineration with energy recovery (MT)	978.0	14,239.4
	Hazardous waste - Offsite incineration without energy recovery (MT)	2,062.0	867.6
	Hazardous waste - Offsite landfilling (MT)	4,210.0	3,133.7
	Hazardous waste - Other offsite disposal operations (MT)	105,287.0	56,392.3
	Hazardous waste - Disposal (MT)	112,537.0	74,633.1
	Non-hazardous waste - Offsite incineration with energy recovery (MT)	1,940.0	3,001.4
	Non-hazardous waste - Offsite incineration without energy recovery (MT)	1,875.0	1,013.0
	Non-hazardous waste - Offsite landfilling (MT)	24,986.0	22,878.8
	Non-hazardous waste - Other offsite disposal operations (MT)	36,384.0	54,350.0
	Non-hazardous waste - Disposal (MT)	65,185.0	81,243.2
	E-waste - Offsite incineration with energy recovery (MT)	0.0	0.0
	E-waste - Offsite incineration without energy recovery (MT)	0.0	0.0
	E-waste - Offsite landfilling (MT)	0.0	0.0
	E-waste - Other offsite disposal operations (MT)	0.0	0.0
	E-waste - Disposal (MT)	15.0	12.9

Principles performance index

Metric	Key performance indicators	2021	2022	2023
Ethics and governance	# of employees who completed the annual Code of Conduct training, including training on ethics, compliance and anti-corruption	50,161	53,846	56,745
	% of employees who completed the annual Code of Conduct training	92.0%	96.7%	97.5%
	% of governance body members who have received training on anti-corruption	90.0%	99.1%	99.0%
	% of operations assessed for risks related to corruption	100%	100%	100%
	# of operations assessed for risks related to corruption	4	4	2
	% of security personnel trained in human rights policies or procedures	100%	100%	100%
	# of identified leaks, thefts or losses of customer data	0	0	3
	# of substantiated complaints received concerning breaches of customer privacy	0	0	3
Supply chain	# of certified Supplier Social Responsibility Program (SSRP) auditors	93	84	99
	# of SSRP audits	545	408	461
	# of SSRP audit red flag findings	1,696	1,343	1,707
	% of audits that were re-audits	82.0%	81.0%	80.0%
	% of audit red flag findings closed within 90 days	95.0%	95.0%	95.0%
	# of suppliers rejected due to SSRP policy	52	23	25
	% of local spend	77.0%	81.0%	80.0%
	Local spend (billion USD)	$7.7B	$13.1B	$14.8B
Health and safety	# of Health, Safety and Environment (HSE) leadership engagements	66,716	64,550	70,667
	# of HSE observations	1,051,723	1,071,845	1,442,048
	# of Perfect HSE days	204	217	199
	Average hours HSE trainings - employees	Not available	5.3	6.2
	Average hours HSE trainings - contractors	Not available	0.6	0.9
	# of near misses	1,075	1,017	1,051
	Total recordable incident rate	0.28	0.22	0.28
	Days away from work rate	0.13	0.11	0.15
	# of days away from work cases	97	86	119
	# of employee work-related fatalities	0	1	1
	# of contractor work-related fatalities	0	0	0
	# of total recordable illness	37	5	16
	# of musculoskeletal disorders	Not available	2	5
	# of diseases caused by physical agents	Not available	3	2
	# of vehicle incidents	Not available	213	218
	# of sites certified to ISO 14001:2015	99	87	87

Principles

Metric	Key performance indicators	2021	2022	2023
Health and safety continued	# of sites certified to ISO 45001	71	61	65
	# of sites certified to ISO 9001	270	245	238
	# of sites certified to ISO 50001	Not available	1	1
	% of employees covered under a collective bargaining agreement	Not available	26.0%	28.0%

Principles Retired Metrics

Metric	Key performance indicators	Reasoning
Ethics and governance	Net revenue (million USD) in countries that have 20 lowest rankings in Transparency International's Corruption Perception Index	Other than the United States, no other country accounted for more than 10% of our consolidated revenue during the periods reported.

Ilaria Cabona, Lead Project Engineer, IET

Legal disclosures

We report our sustainability performance annually. This report was developed for the reporting period of January 1 to December 31, 2023. This report includes several restatements of data from prior years' reports. Those restatements and the reasons for them are identified as they appear. Our organizational boundary is based on an operational control approach. We report performance from the operation of our wholly owned companies and the subsidiaries over which we have operational control and exclude non-operated, minority-owned joint ventures. Our report is reviewed prior to publication by our Governance and Corporate Responsibility Committee as part of their regular review of sustainability and corporate responsibility topics and approved by the full Board of Directors.

Unless otherwise specifically stated, this report covers Baker Hughes's performance in 2023. Incremental information regarding our sustainability report has been included in our 2023 Annual Report on Form 10-K and our 2023 Proxy Statement, which can be found at https://investors.bakerhughes.com/investor-relations.

The goals and projects described in this report are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed. Furthermore, data, statistics and metrics included in this report are not prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees and may be subject to future revision. This report uses certain terms including those that GRI or others refer to as "material" to reflect the issues or priorities of Baker Hughes and its stakeholders. Used in this context, however, these terms are distinct from and should not be confused with, the terms "material" and "materiality" as defined by or construed in accordance with securities, or other, laws or as used in the context of financial statements and reporting.

Statements of future events or conditions in this report, including those that 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, are forward-looking statements. 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: changes in demand for oil and natural gas, as well as integrated products and services; expenditure reductions; changes in economic, political and business conditions; changes in laws, regulations, other requirements or the enforcement or interpretation thereof including those related to oil and gas exploration and production, natural resources and fossil fuels management and climate-related initiatives; technological developments of and substantial investments in, alternative energy; success of our CCUS and other initiatives; inability to reduce environmental impact; involvement in litigation; inability to satisfy service, equipment and power purchase agreements; inability to obtain, maintain, protect or enforce our intellectual property rights; remedial or non-compliance actions; the financial and operating conditions of our supply chain; defects in risk management; losses from, or the inability to identify and mitigate, risks inherent in operating in the global energy industry; high cost or unavailability of infrastructure, materials, equipment, supplies and/or personnel; potential disruption of operations due to war, accidents, weather and seasonal factors, political events, civil unrest, cybersecurity, geopolitical, or terrorism threats, pandemics, economic downturns or other causes beyond our control; and the risk factors in the "Risk Factors" section of our 2023 Annual Report on Form 10-K and those set forth from time-to-time in other filings by the Company with the U.S. Securities and Exchange Commission (SEC), available through our website or through the SEC's Electronic Data Gathering and Analysis Retrieval (EDGAR) system at http://www.sec.gov.