

Innovative Baker Hughes Emissions Abatement Solution Chosen to Reduce Routine Flaring at SOCAR's Baku Oil Refinery

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- Baker Hughes to deliver integrated gas recovery and hydrogen sulfide (H₂S) removal system
- Solution expected to recover flare gas equivalent up to 7 million Nm³ of methane per year, and further reduce CO₂ emissions by up to 11,000 tons per year
- Recovered flare gas will be used as fuel within the refinery, improving efficiency and reducing consumption and operating costs
- Contract signed at COP29 in Baku, Azerbaijan

BAKU, Azerbaijan, Nov. 14, 2024 (GLOBE NEWSWIRE) -- Baker Hughes (NASDAQ: BKR), an energy technology company, and SOCAR announced Thursday the signing of a contract for an integrated gas recovery and hydrogen sulfide (H₂S) removal system that will significantly reduce downstream flaring at SOCAR's Heydar Aliyev Oil Refinery in Baku, Azerbaijan. The contract was signed at COP29 in Baku, in the presence of Baker Hughes Chairman and CEO Lorenzo Simonelli and SOCAR President Rovshan Najaf.

Building on the pledges formalized by <u>Azerbaijan's entry into the Global Methane Pledge</u> and the <u>COP28 presidency's Oil & Gas Decarbonization</u> <u>Charter (OGDC)</u>, the project is a tangible step toward ending routine flaring by 2030 at SOCAR's site, using innovative applications of Baker Hughes' existing and field-proven emissions abatement technologies. The project is expected to recover flare gas equivalent up to 7 million Nm³ of methane per year, and further reduce CO₂ emissions by up to 11,000 tons per year.

Baker Hughes will integrate its innovative gas recovery and H₂S removal system into the refinery's existing infrastructure to help abate methane and sulfur – two of the most potent greenhouse gas emissions – and remove hazardous H₂S from the site. The system will also enable SOCAR to use the recovered gas, which would have previously been flared, as fuel for the refinery. This will reduce overall fuel gas consumption and operating costs at the refinery, creating new opportunities for value enhancement and efficiency gains.

"We must reduce emissions by 45% this decade to put us on the right path to reach net zero by 2050. The industry has an imperative to act now, and we can do it with existing technology solutions that can be deployed today," said Baker Hughes Chairman and CEO Lorenzo Simonelli. "This award is a testament to our companies' shared commitment to act on emissions abatement and represents another significant milestone in Baker Hughes' journey to help customers drive more sustainable and efficient operations."

"Our collaboration with Baker Hughes reflects SOCAR's commitment to advancing sustainable operations and reducing emissions across our sites," said Rovshan Najaf, president of SOCAR. "By launching this project, we are making a tangible impact on emissions abatement and setting a benchmark for environmental responsibility. This initiative aligns with our vision for a cleaner, more efficient energy future, supporting our commitment to climate goals."

The project's rapid progression from concept to contract in only nine months demonstrates the two companies' commitment to driving action and highlights the value achieved through close collaboration and early engagement. Project execution will begin immediately, with full commissioning targeted within 24 months.

This integrated gas recovery and H₂S removal system is part of Baker Hughes' broad portfolio of emissions abatement solutions capable of improving productivity, efficiency and delivering increased value at scale across customer operations.

About Baker Hughes

Baker Hughes (NASDAQ: BKR) is an energy technology company that provides solutions to energy and industrial customers worldwide. Built on a century of experience and conducting business in over 120 countries, our innovative technologies and services are taking energy forward – making it safer, cleaner and more efficient for people and the planet. Visit us at <u>bakerhughes.com</u>.

About SOCAR

SOCAR, a global energy company headquartered in Azerbaijan, specializes in the extraction, processing, and distribution of energy resources. As the largest integrated energy enterprise in the South Caucasus region, the company has a significant presence worldwide, underscoring its importance in various international markets.

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A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/5da93f30-dd6f-4ae6-91c5-db3a57f72463

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COP29 SOCAR Deflaring Signing



 ${\bf Members\ of\ the\ Baker\ Hughes\ and\ SOCAR\ teams\ at\ COP29\ in\ Baku,\ Azerbaijan.}$