

# Investor Overview

May 2022

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The Company presents its financial results in accordance with GAAP; however, management believes that using additional non-GAAP measures will enhance the evaluation of the profitability of the Company and its ongoing operations. See the Appendix of this presentation for a reconciliation of GAAP to non-GAAP financial measures.

# Baker Hughes is a differentiated energy technology company



A **diverse portfolio** across the energy landscape, industrials & new energy frontiers



Strategy focused on leading the energy transition ... **~\$250M in new energy orders in 2021**



**OFS technology leader** ... ~70% international & ~35% production-weighted



**~50% of revenue industrial in nature** with strong aftermarket service entitlement



Leading **driver & compression technology** for LNG & new energy frontiers



**Strong balance sheet** ... A3/A- rating, \$3.2B cash\* & additional liquidity, net capex ~3% of revenue



**~\$15.9B aftermarket service backlog\*** across TPS, OFE, DS



**Peer leading shareholder returns** ... ~130% of FCF returned '18-'21 ... \$2B buyback authorization in 2021

# 5-year transformation positions BKR for profitable growth

*Positioned to capitalize on current tailwinds ... focused on maximizing shareholder value*

## 2017-2021 Transformation Milestones

- +375<sub>bps</sub>** **Margin expansion** – adj op. income accretion despite volume down 6%
- \$4.7B** **FCF generation** '18-'21 (43% conversion on adj. EBITDA basis)
- ~160<sub>MTPA</sub>** **LNG Orders Booked\*** – market leading position maintained
- ~\$1B** **Asset sales** – simplified portfolio – exited low return & non-core activities
- ~\$1B** **Tuck-in M&A & investments** – positioned to compete today and tomorrow
- \$7.1B** **Shareholder returns** – maintained dividend & repurchased \$3.6B of stock

## 2022 & beyond

- Maintain technology leadership
- Market backdrop likely to support strong revenue growth and margin expansion outlook
- Positioned to capitalize on multi-year growth in LNG & new energy
- Exciting portfolio of emerging energy transition technologies and solutions
- Best-in-class balance sheet
- > 50% FCF/EBITDA conversion rate
- Maintain strong commitment to return cash to shareholders while investing in energy transition

# Portfolio Overview

# A unique portfolio serving the energy value chain



## Oilfield Services

- Leader in drilling services & production
- Strong global presence
- Focus on execution, reliability & cost



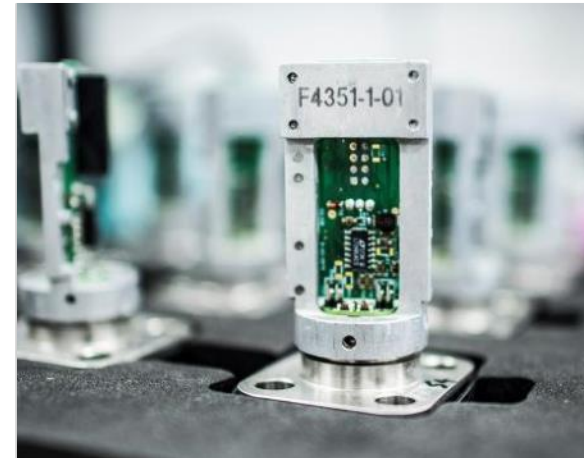
## Oilfield Equipment

- Leading subsea production & flexibles portfolio
- Strong execution & technology pipeline
- Flexible partnerships & commercial models



## Turbomachinery & Process Solutions

- Technology leader in LNG & upstream production
- Significant installed base
- Proven track record in the most critical projects



## Digital Solutions

- Leader in critical inspection technology & condition monitoring
- Leading sensing & measurement technology
- Differentiated software offerings

# Oilfield Services



**~40%**  
Drilling



**~25%**  
Completions



**~35%**  
Production

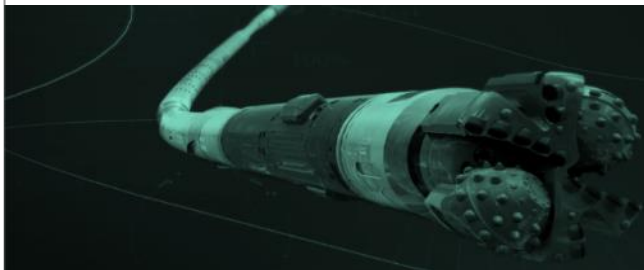


**70%**  
International

2021 revenue splits

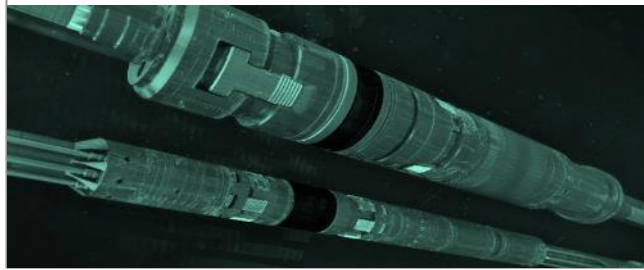
## Well Construction

- Drilling Services
- Drill Bits
- Drilling & Completion Fluids



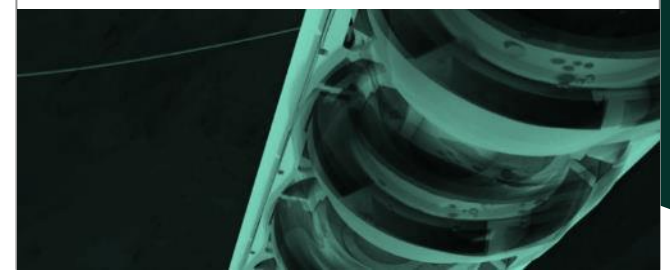
## Completions, Intervention, & Measurements

- Completions & Well Intervention
- Wireline Services
- Pressure Pumping



## Production Solutions

- Artificial Lift Systems
- Oilfield & Industrial Chemicals



**Integrated Well Services and Solutions**

# Oilfield Equipment

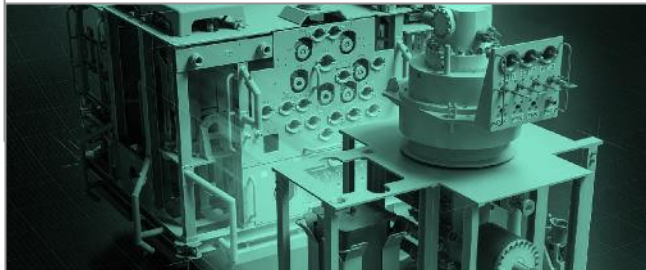


**~60%**  
Subsea Production  
Systems & Services

*Last 4-year revenue splits*

## Subsea Production Systems & Services

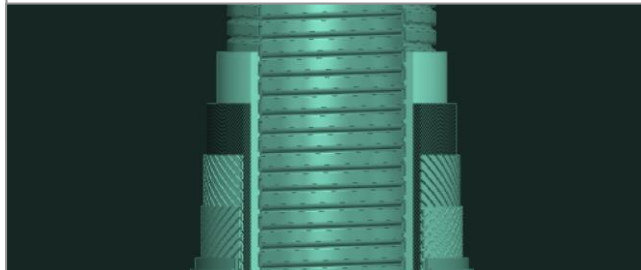
- Subsea wellheads, trees, controls, manifolds, electric solutions & connection systems
- Power & processing
- Engineering studies
- Installation & commissioning
- Intervention & decommissioning
- Asset integrity management



**~25%**  
Flexible Pipe  
Systems

## Flexible Pipe Systems

- Dynamic and static flexible risers & flowlines for subsea
- Flexible pipes integrity management systems
- Installation & commissioning
- Logistics support
- Reinforced Thermoplastic Pipes for onshore
- Non-metallic materials



**~15%**  
Surface Pressure  
Control

## Surface Pressure Control

- Surface wellheads
- Flow control valves and actuators (surface trees)
- After-market services





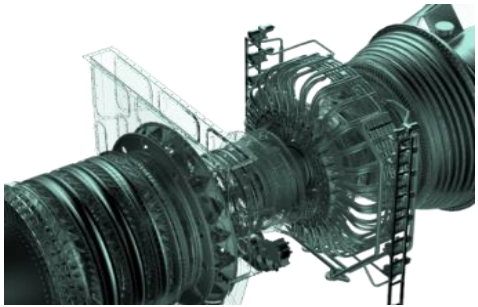
# Turbomachinery & Process Solutions



Last 4-year equipment revenue splits

## Drivers

- Aeroderivative gas turbines
- Heavy duty gas turbines
- NovalT gas turbines
- API steam turbines
- Hot gas and turbo expanders



## Compressors & Pumps

- Centrifugal and axial compressors
- Integrated compressor line
- API reciprocating compressors
- Subsea compression
- Centrifugal pumps



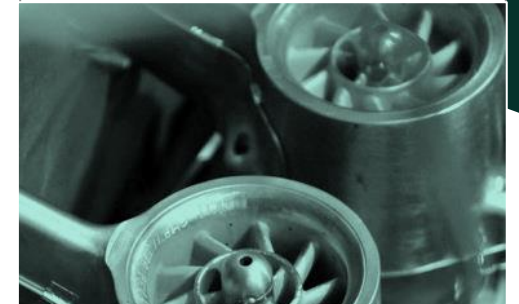
## Solutions

- Modules
- Waste heat recovery
- Small scale LNG & CNG
- Control systems
- Process, control and safety valves
- Air-cooled heat exchangers
- Gear solutions and bearings



## Services

- Contractual service agreements
- Spares
- Field service engineers
- Repairs & Upgrades
- Predictivity solutions
- Customer training
- Optimization apps



# Digital Solutions



**~45%**  
Oil and gas



**~20%**  
Power



**~30%**  
Industrials



**~5%**  
Transport & Other

2021 revenue splits

## Condition Monitoring & Protection

- Condition monitoring and protection devices
- Advanced machinery diagnostic software solutions
- Industry leading technical support



## Control Solutions

- Controls and cybersecurity solutions to mitigate risk, boost safety, and improve equipment reliability, uptime, and efficiency



## Waygate Technologies

- Ultrasonic
- Film, radiography remote visual
- Conventional/digital X-ray
- 3D computed tomography
- Software



## Precision Sensors & Instrumentation (PSI)

- Flow, gas, moisture (Panametrics)
- Nuclear instrumentation and downhole (Reuter-Stokes)
- Pressure (Druck)



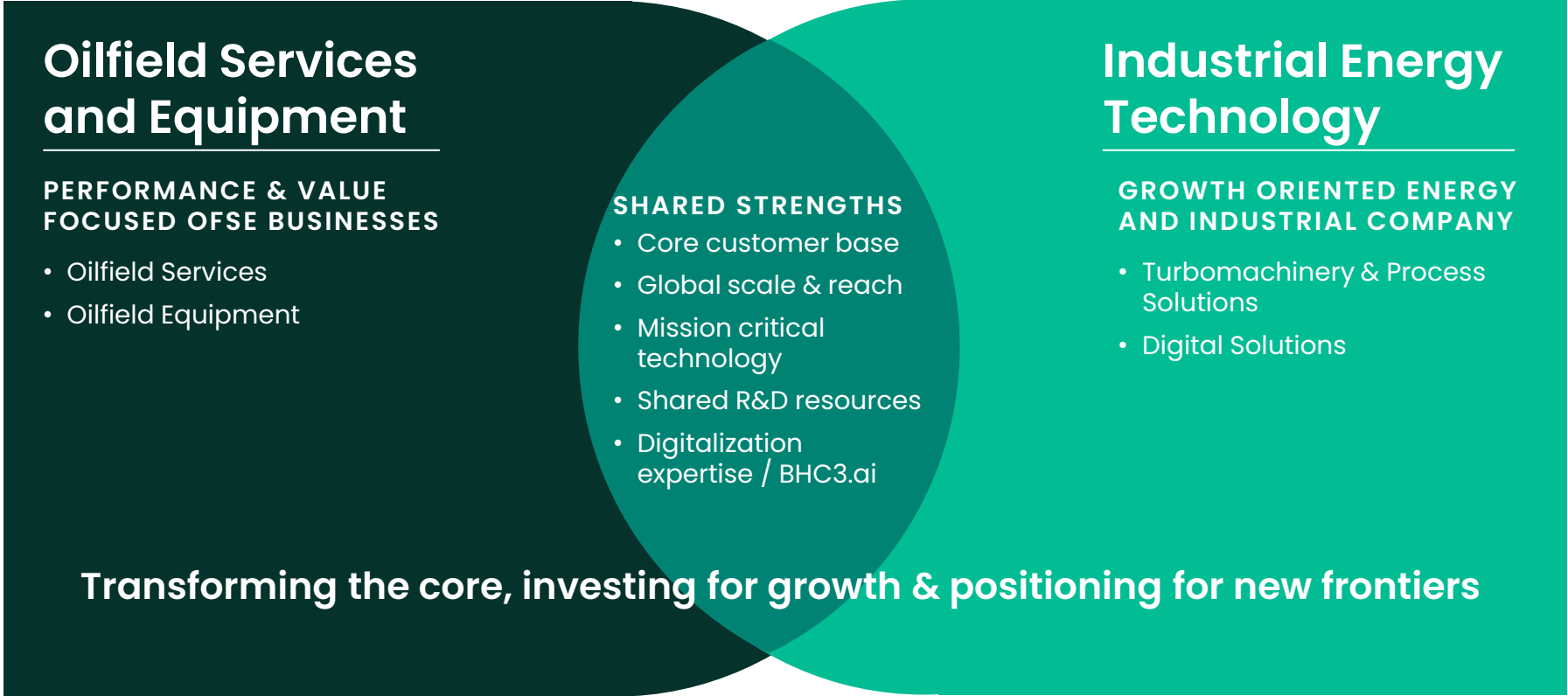
## Process & Pipeline Services

- Inspection (ILI) pre-commissioning and maintenance services for oil and gas pipelines
- Defect data analysis
- Integrity engineering
- Software solutions
- Remote monitoring

# Strategy Overview

# Sharpening focus to two primary areas

*We are reshaping our company around two core business areas*



**Diverging growth trajectories ... focus enhances future optionality**

# OFSE ... over a century of continuous innovation



## Founded on entrepreneurial spirit and technological innovation:

- Reuban Carl Baker patented innovative casing shoe in 1907 and founded Baker Oil Tools
- Howard Hughes, Sr. revolutionized rotary drilling with first roller cone drill bit
- Vetco Gray dates back to 1906, providing drilling equipment and downhole tools



## Over 20<sup>th</sup> Century, leading the industry in oilfield technology:

- Evaluation solutions to understand the reservoir
- Drilling equipment including bits and rotary
- Production enhancement and artificial lift
- Subsea trees and flexibles technology



## Accelerating and transforming for the future of energy and industry:

- ~75% international & ~45% production weighted
- Digital oilfield – automation, remote operations
- CCUS – storage and reservoir expertise
- Geothermal energy
- Integrated technology and services
- Oilfield & industrial chemicals

# OFSE ... poised to deliver on cyclical recovery

## Favorable market conditions

- Tight fundamentals & high oil prices are supportive of a multiyear upcycle
- Industry discipline and reduced capacity are enabling pricing power

## Leading technology

- Technology player with record of operational excellence
- R&D and scale to develop carbon intensity and emissions solutions

## Global scale and localized presence

- Strong international presence ... Middle East largest revenue region
- Longstanding customer relationships and in-country localization

## Digital value creation

- Remote operations and automation
- Asset performance management and asset health

## Returns-focused portfolio

- Clear strategic mandate ... intense focus on improving margins & returns
- High grading portfolio and rationalizing cost base through portfolio actions

### OFSE 2021 revenue splits:



~30%  
Drilling\*



~25%  
Completions



~45%  
Production



~75%  
International

# Oil markets set for a sustained cyclical upturn

*Capital discipline to remain ... continued ESG pressures ... falling inventories & OPEC spare capacity ... rising demand*

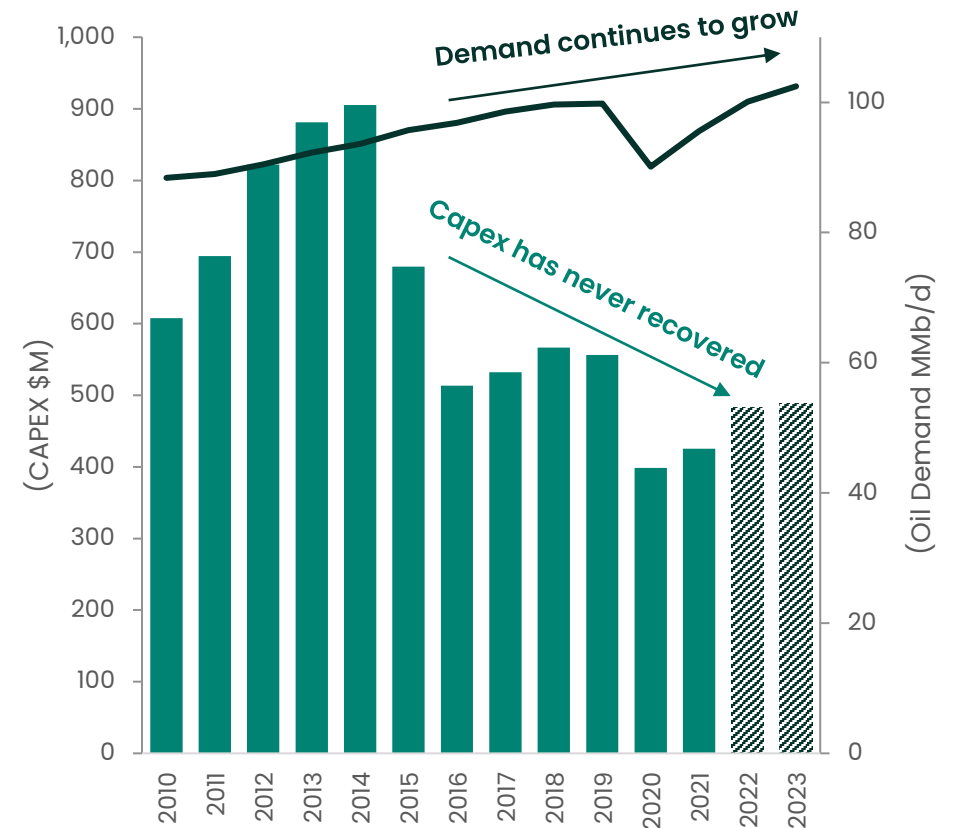
## ***Sustained underinvestment starting to impact supply ... challenging to reverse***

- Capital discipline and escalating focus on shareholder returns is restraining spending
- Shareholder and stakeholder ESG pressures driving strategies of Major IOCs away from fossil fuels
- OPEC countries struggling to meet quotas ... spare capacity shrinking
- Global inventories trending significantly below average

## ***Demand recovering ... set to exceed pre-COVID levels despite increasing pressure to reduce consumption***

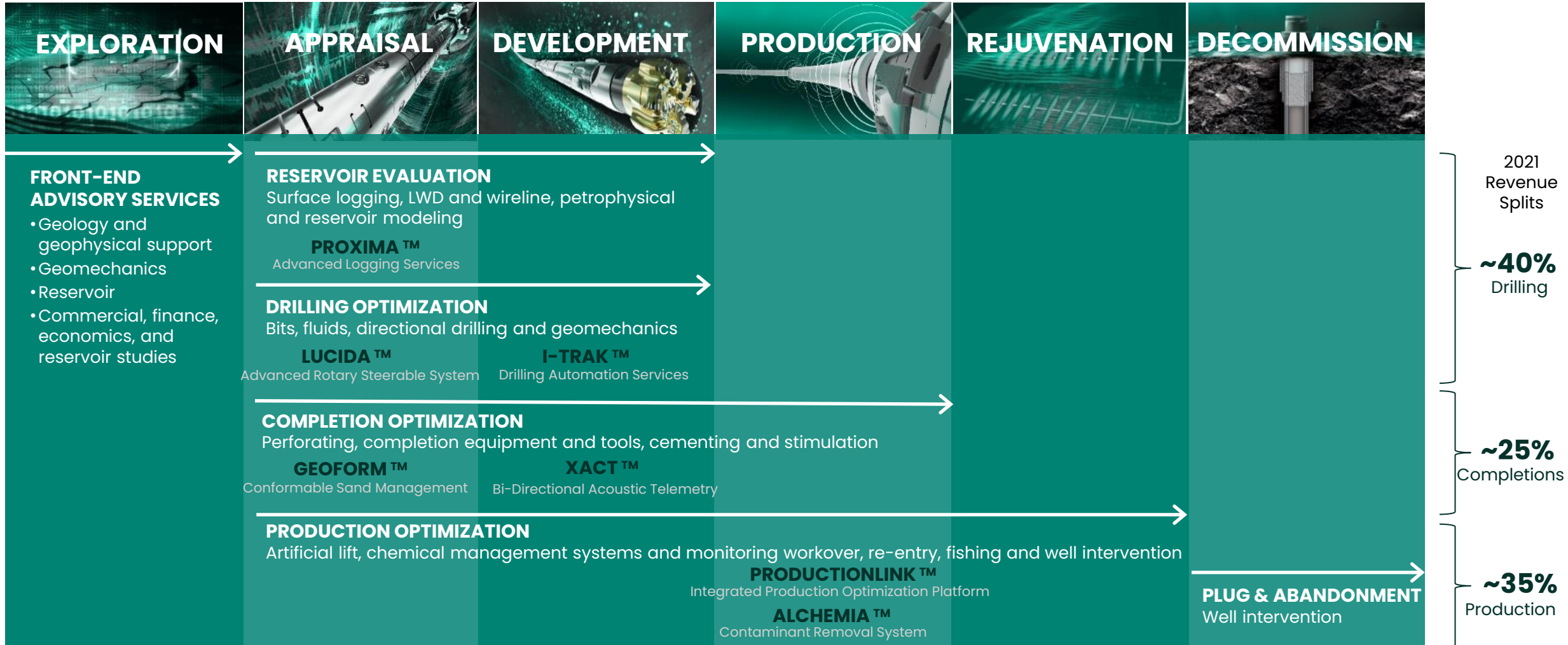
- Full re-opening of travel and return to work yet to take place
- Strong economic recovery in developed economies
- Long-term structural growth in emerging economies helps sustain demand

## **Upstream CAPEX spend vs. global oil demand<sup>1</sup>**



# OFS expertise spans the lifecycle of the well

*Making the oilfield more efficient ... Making performance more predictable ... Taking energy forward*





## Company Overview

- Leading international provider of well intervention services
- 40 years of industry experience, headquartered in Norway
- 90% of revenues generated in the North Sea
- Provider of tractor conveyed intervention solutions



## Strategic Rationale

*Altus has complementary technology that enhances Baker Hughes' capabilities in integrated intervention and production enhancement solutions*

### **Altus' tractor and corresponding mechanical service tools are a critical differentiator**

- Allows for light / rig-less intervention capability vs. traditional workover rigs or coiled tubing units
- Reduces time, cost and emissions

### **Enhances Baker Hughes' capability to offer wider-life-of-well capabilities**

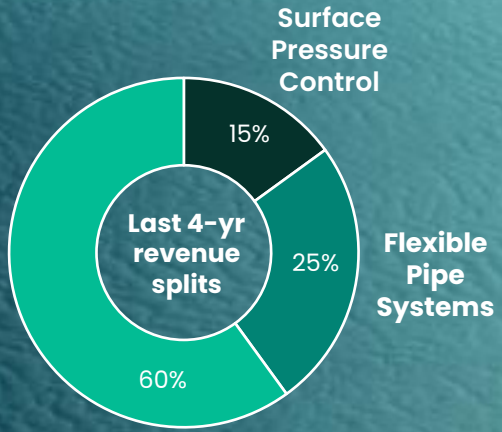
- A key growth theme as exploration and new field development spend gets redirected to extending and enhancing production output from existing assets

### **Potential to replicate Altus' track record and business model in the North Sea to new markets around the world**

# OFE ... reservoir to topsides capabilities

*Accelerating time to production ... Maximizing recovery ... Reducing costs*

Topsides, Controls



Surface Pressure Control

15%

Last 4-yr revenue splits

25%

Flexible Pipe Systems

60%

Subsea Production Systems & Services

Umbilical, Rigid Flowlines & Risers Installation

Controls & Manifolds

Flexible Flowlines & Risers

Wellheads & Subsea Trees

# IET ... leading businesses and a compelling portfolio

An energy technology company solving complex challenges for industries and enabling the path to net-zero.

**Well positioned to address key macro market themes:**

- Decarbonization
- Digitalization
- New energy mix and systems
- Electrification
- Asset optimization

## Industrial Energy Technology (IET)

**Natural gas & Industrial tech**

**Climate tech solutions (CTS)**

**Industrial asset management (IAM)**

**Critical technology for industrial power and process solutions**

- LNG solutions and gas technology
- Flow and process technology
- Services & aftermarket leadership

**Energy transition and new energy solutions leveraging our OEM core**

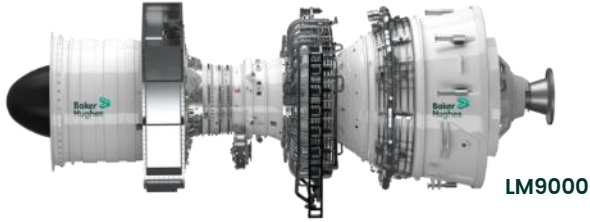
- CCUS
- Hydrogen
- Clean Integrated Power Solutions
- Emissions Management

**Asset performance and health from critical asset to balance of plant**

- Integrated Asset Performance Management
- Asset Inspection Solutions
- Digital Applications

# TPS ... gas, power and decarbonization technology

Providing supercritical equipment to the LNG, Upstream, CCUS & Hydrogen sectors



## Drivers and expanders

- Aero-derivative Gas Turbines
- Heavy Duty Gas Turbines
- NovalT Gas Turbines
- NovalT Hydrogen Turbine
- API Steam Turbines
- Hot Gas and Turbo Expanders



## Compressors, pumps & valves

- Centrifugal and Axial
- Integrated Compressor line
- Subsea Compression
- API Reciprocating
- Centrifugal Pumps
- Valves



## Aftermarket services

- Repairs & parts
- Field activities
- Certified renewed equipment
- Upgrades
- Long-term service agreements
- Advisory services
- Digital advanced services



## Modular solutions

- Small scale LNG
- Power Generation
- Compression



## Integrated solutions for CO2 reduction

- Waste Heat / Pressure Recovery
- Carbon Capture Technology
- Energy Storage



## Auxiliary equipment

- Air-cooled Heat Exchangers
- Control Systems
- Gear Solutions

End market exposure: last 4-year equipment revenue splits













































2021 TPS revenues  
45% equipment / 55% services

# DS ... connecting technologies to drive efficiency & reliability

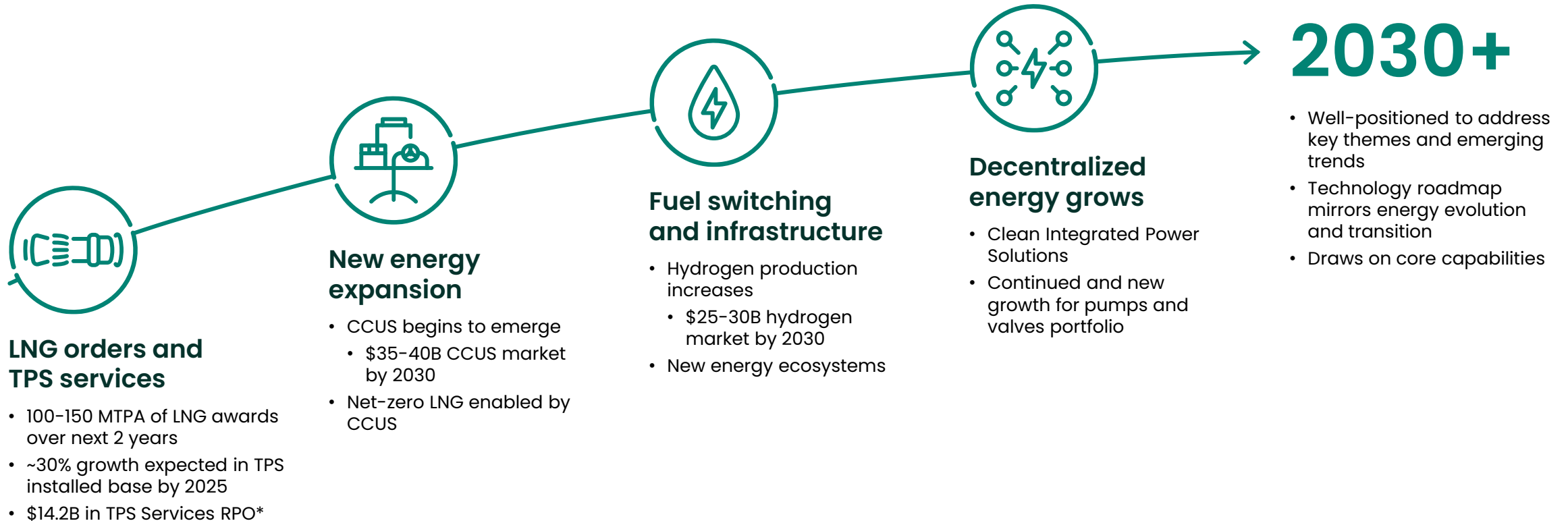
Outcomes through intelligent, connected technologies to sense, monitor, control, and inspect

2021 revenue splits

 Asset conditioning monitoring software, hardware, and services	 Secure and scalable system controls hardware and software, cybersecurity, and services	 Premium non-destructive testing hardware, software, and services	 Flow measurement and analysis for moisture, oxygen, liquid, and gas	 Nuclear instrumentation, environmental and radiation monitoring technologies	 Industrial and flight qualified pressure sensors, test, and calibration instrumentation, software and services.	Process & Pipeline Services Pipeline integrity services & Pre-commissioning and maintenance services
<b>25%</b>	<b>15%</b>	<b>25%</b>	<b>15%</b> (Precision Sensors & Instrumentation)		<b>20%</b>	
<b>400,000+</b> Connected machines  <b>6 million+</b> BN sensor monitoring points	<b>11,000+</b> Successful customer projects  <b>1,700+</b> Nexus OnCore™ Controls system customer site installations	World's <b>#1</b> provider of CT inspection technology	<b>40</b> Years experience in flare instrumentation	<b>350,000+</b> Advanced technology detectors in service	<b>5 million+</b> Sensors sold	<b>1 million+</b> Kilometers of pipeline inspected worldwide
<b>Industries</b>						
 Oil and gas  Power generation  Manufacturing  Process industries	 Power generation  Oil and gas  Automotive  Manufacturing  Industrial  Electronics  Process industries  Additive manufacturing	 Aviation  Electronics  Additive manufacturing  Oil and gas  Power generation  Automotive	 Oil and gas  Power generation  Nuclear  Coal	 Oil and gas  Nuclear  Industrial  Manufacturing  Environmental	 Aerospace  Power generation  Industrial  Automotive  Oil and gas  Hydrology & Meteorology  Manufacturing  Electronics	 Oil and gas

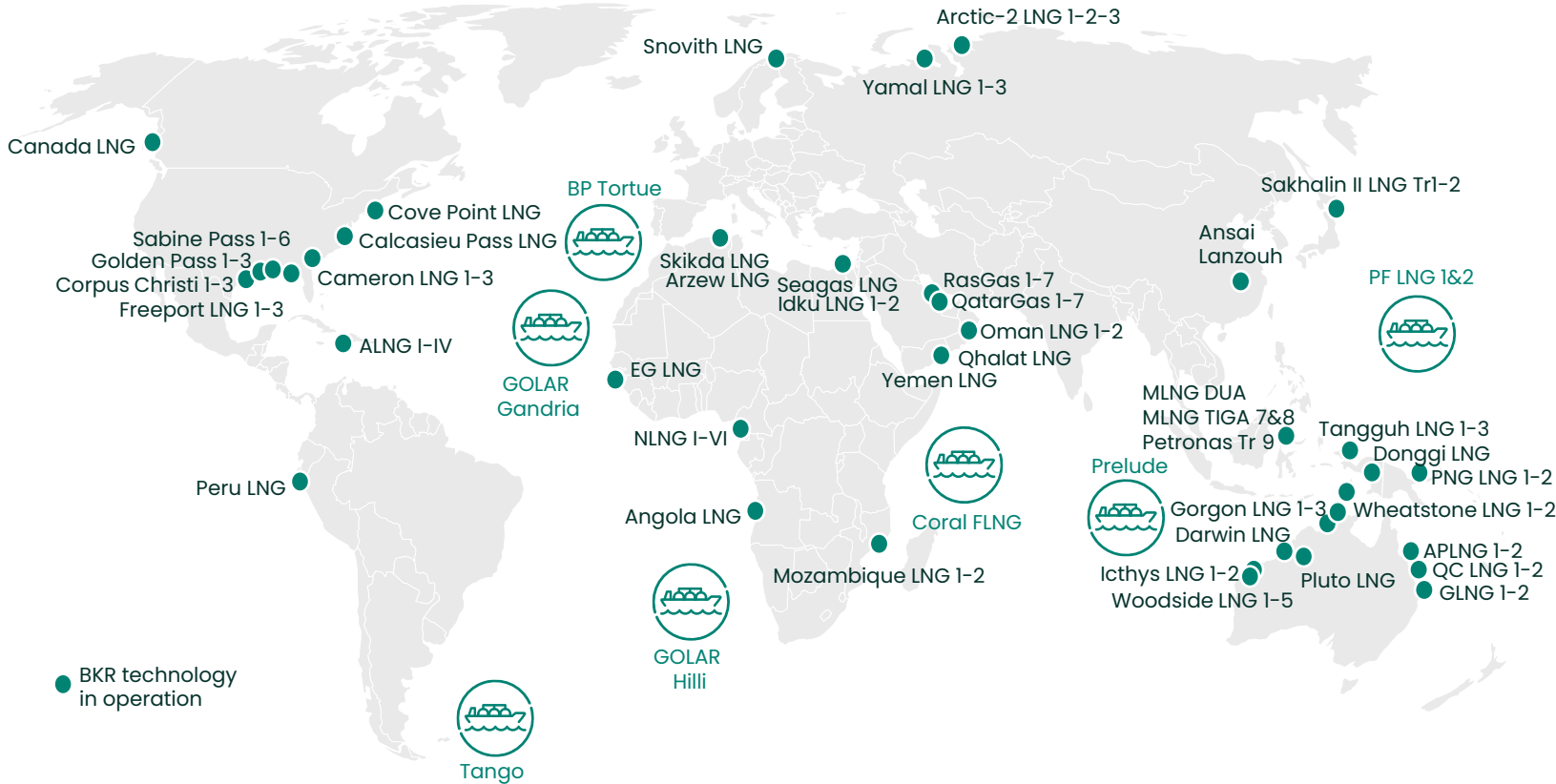
# IET... growth driven by energy transition

- Compelling growth profile driven by range of energy transition initiatives
- Multiple areas could drive extended growth cycles over next 5-10 years and beyond



# LNG market leader

30+ years serving customers with innovative turbo-compression technologies and solutions



From the desert to the rainforest, from the arctic to protected natural areas, we have successfully executed LNG projects in the most extreme environments and challenging conditions – **Baker Hughes always on the frontline in major LNG industry challenges.**

- ~420** MTPA out of 460 MTPA global installed LNG capacity relies on Baker Hughes turbomachinery
- ~160** MTPA of LNG orders booked since 2017\* - market leading position maintained
- ~60** LNG plants with BH technology in operation or under construction
- MOST** Referenced OEM for large centrifugal compressors and gas turbines on main refrigerants
- ALL PROCESSES** Consolidated operational experience in every LNG process and configuration with all types of prime-mover technologies
- ~1,000** Units under Global Service Agreement
- ~1,000** Units under RM&D provide valuable feedback for improving maintenance and availability

# LNG sector set for another wave of FIDs

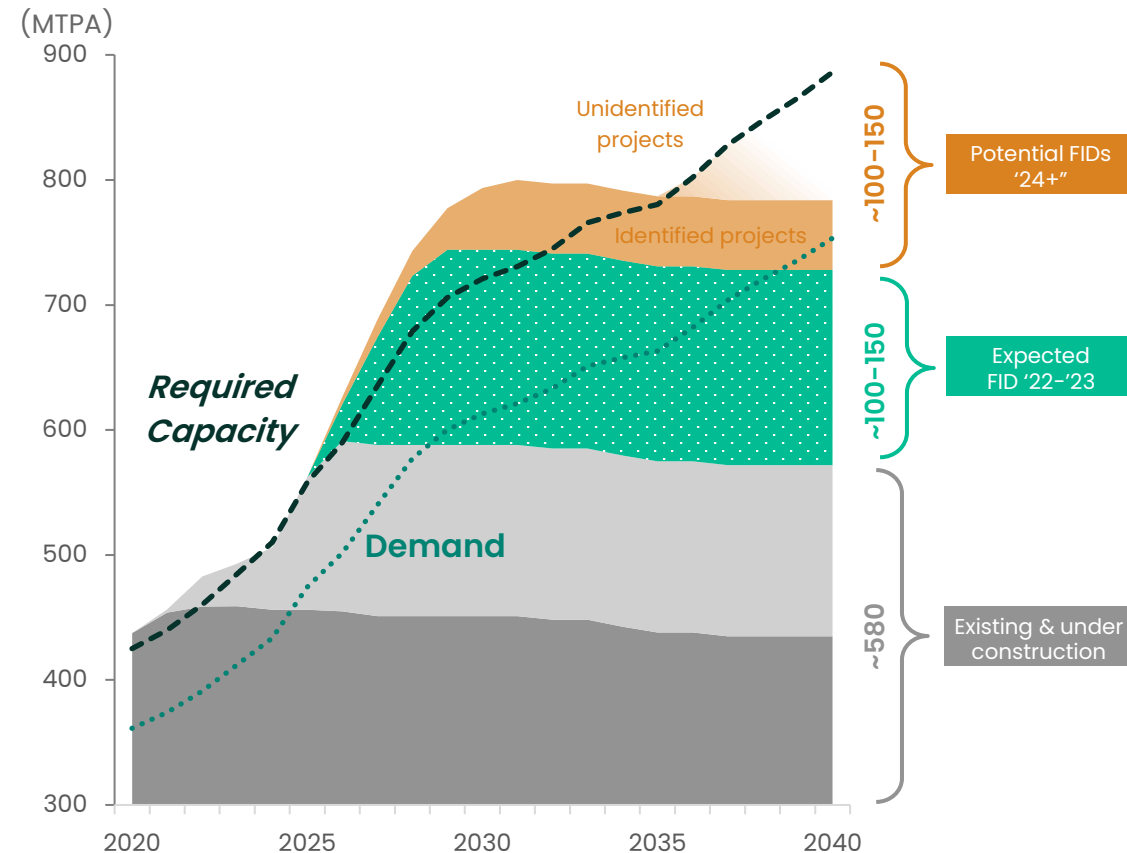
*Transition fuel poised for structural growth as the world decarbonizes*

**Gas fundamentals, particularly in Europe & Asia have tightened significantly**

**Rising demand met by a number of potentially-intensifying individual supply issues**

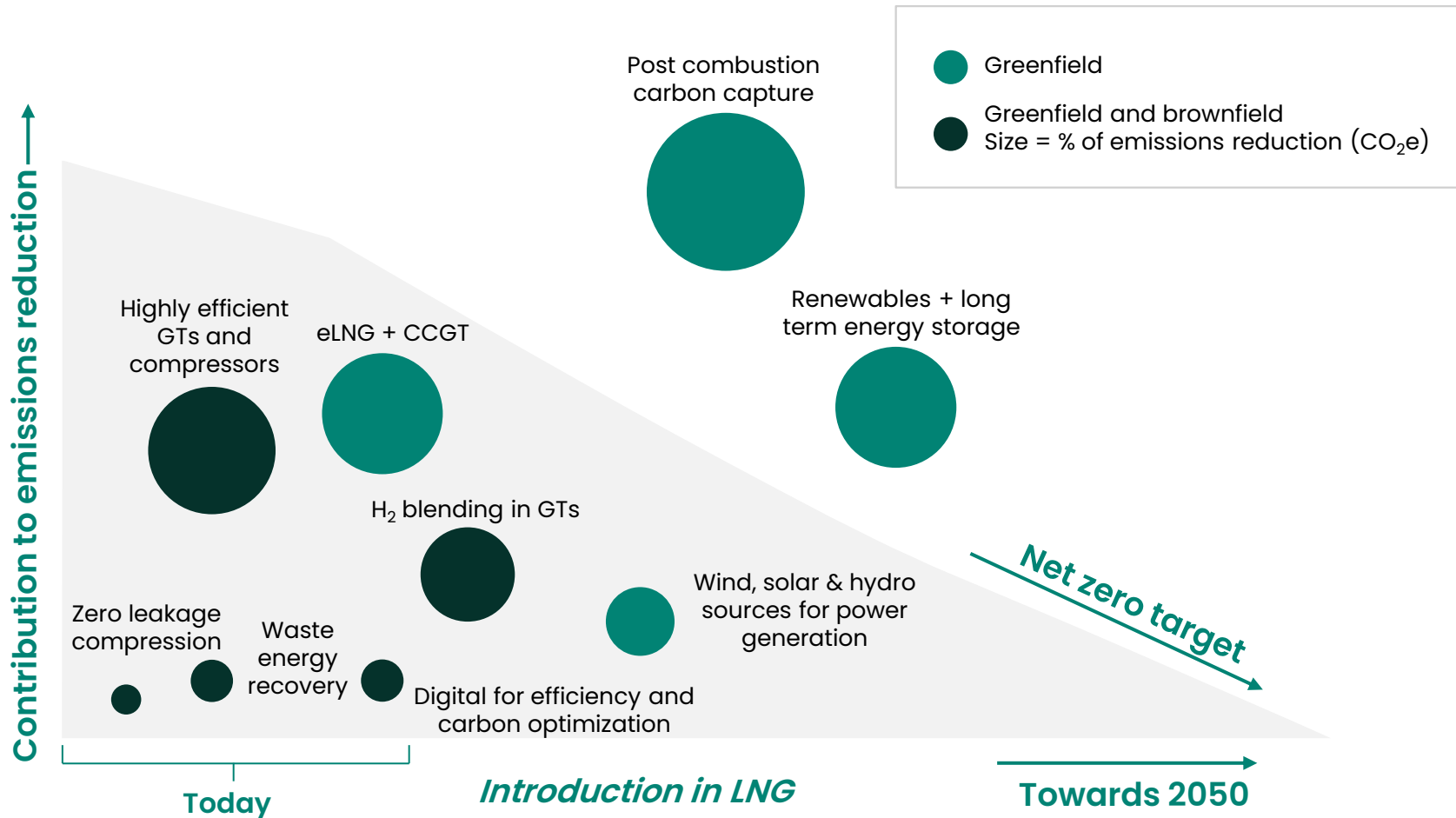
- Current backdrop supporting new wave of LNG project sanctions
- 100 – 150 MTPA of LNG FIDs over the next 2 years
- Significant increase in long-term contracting activity ... helping projects secure funding and progress to FID
- Broader acceptance of gas' role as bridge and destination fuel within the energy transition
- Global liquefaction capacity expected to almost double by 2040

## Liquefaction capacity: supply/demand gap<sup>1</sup>





# Low carbon LNG – the new imperative



Note: Emission reduction estimated for a 10 MTPA plant with 1.5% CO<sub>2</sub> in the feed gas, using a baseline configuration with heavy duty gas turbines in simple for both compressor drive and power generation

## Always on the frontline in major LNG industry challenges

### *BKR technology solutions:*

- Highly efficient gas turbines and compressors
- H<sub>2</sub> blending for brownfield & greenfield
- Modular LNG – faster, more flexible, & lower emission
- eLNG with combined cycles
- Reduced venting / flaring
- Zero methane leakage
- e-drive solutions referenced up to 75 MW
- Hybrid power solutions
- CCUS solutions for LNG

# Climate technology solutions

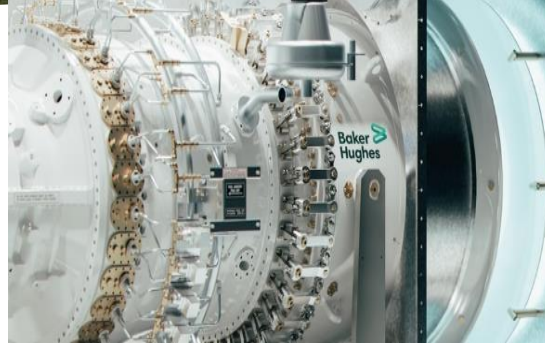
## Enabled by growth in digital technology offerings

### Carbon Capture Utilization & Storage



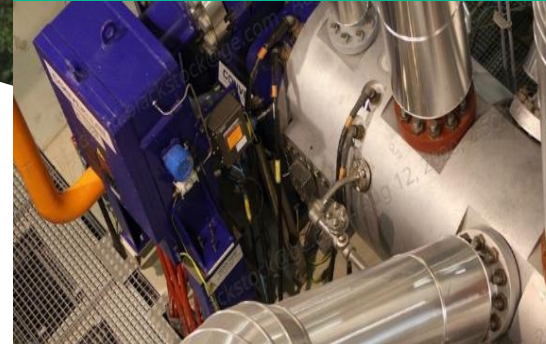
- Consultation & feasibility
- CO<sub>2</sub> capture & liquefaction
- Compression & transportation
- Subsurface storage
- Integrity and monitoring

### Hydrogen



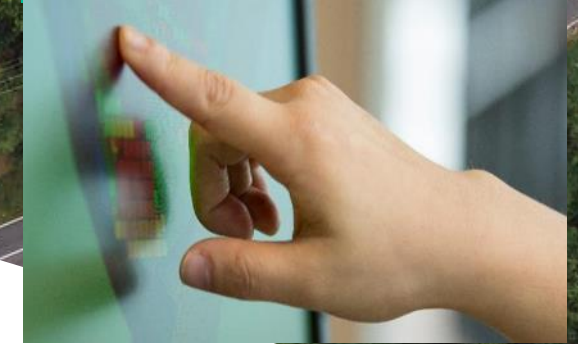
- Turbomachinery provider across entire value chain
- Hydrogen-fueled gas turbines
- Wide range of hydrogen compression solutions
- Integration capabilities for optimized design and operations

### Clean Integrated Power Solutions



- Clean power generation and energy efficient solutions for decentralized and industrial applications
- Digitally augmented low-to no carbon-only portfolio

### Emissions Management



- Emissions measurement & quantification
- Aerial and land continuous monitoring
- Abatement solutions
  - Equipment upgrades
  - Associated gas recovery
  - Combustion efficiency

# Recent energy transition investment & partnerships

## Carbon capture, utilization, and storage



Modular Carbon Capture technology  
Nov 2020



Exclusive license for mixed-salt capture  
Mar 2021



Bio-methanation & synthetic natural gas technology investment  
Jun 2021



Industrial process equipment and technologies to eliminate GHG emissions  
Feb 2022



Next-gen Direct Air Capture technology  
Apr 2022

## Hydrogen



Methane pyrolysis technology to produce turquoise H2  
Nov 2021



Early-stage hydrogen technologies  
Dec 2021



Polaris carbon storage project in Norway  
Mar 2021



CCS hub for Norwegian Industrial Cluster  
Jun 2021



Project developer that utilizes CO<sub>2</sub> & H<sub>2</sub> to produce eFuels  
Apr 2022



Hydrogen compression and turbines for multiple projects  
Jun 2021



Hydrogen infrastructure investment platform  
Anchor Investor  
Apr 2021

## Clean integrated power solutions



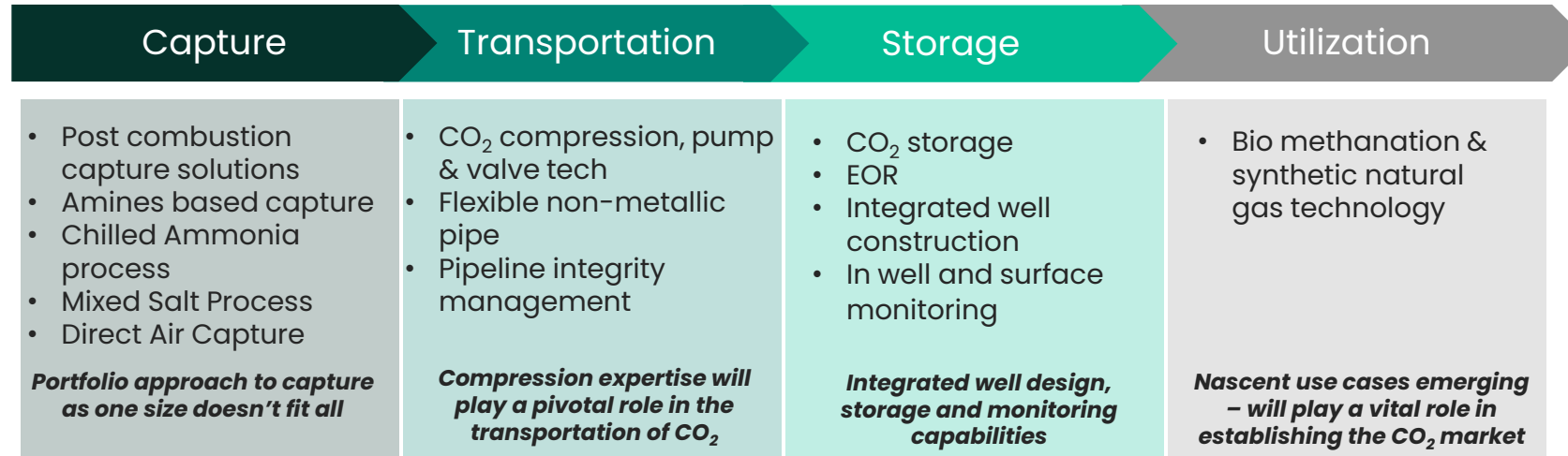
Clean integrated power and hydrogen solutions  
May 2021



Technology development & global deployment of zero-emission power plants  
Feb 2022

# BKR plays across the CCUS value chain

Capable of offering end-to-end carbon capture and storage solutions



## Technology Investments

COMPACT CARBON CAPTURE  
 SRI International  
 mosaic\*

Modular Capture    Mixed Salt Capture    Direct Air Capture

## Technology Investments

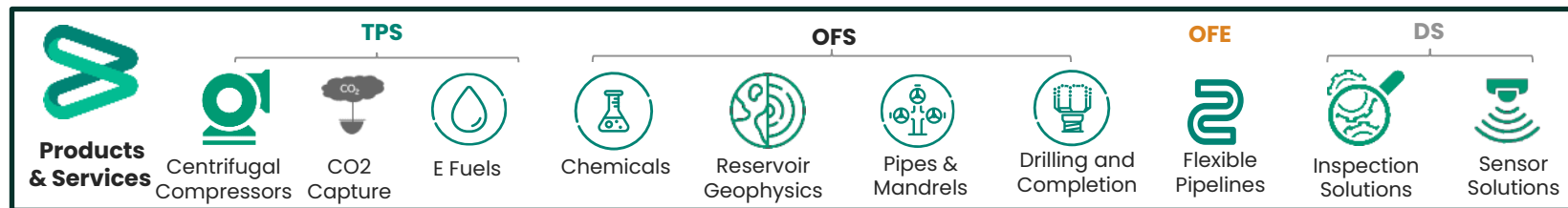
ICS International

Industrial process equipment

## Technology Investments

Electrochaea    HIF

Bio-methanation and SNG\* technology    eFuels utilizing CO<sub>2</sub> & H<sub>2</sub>



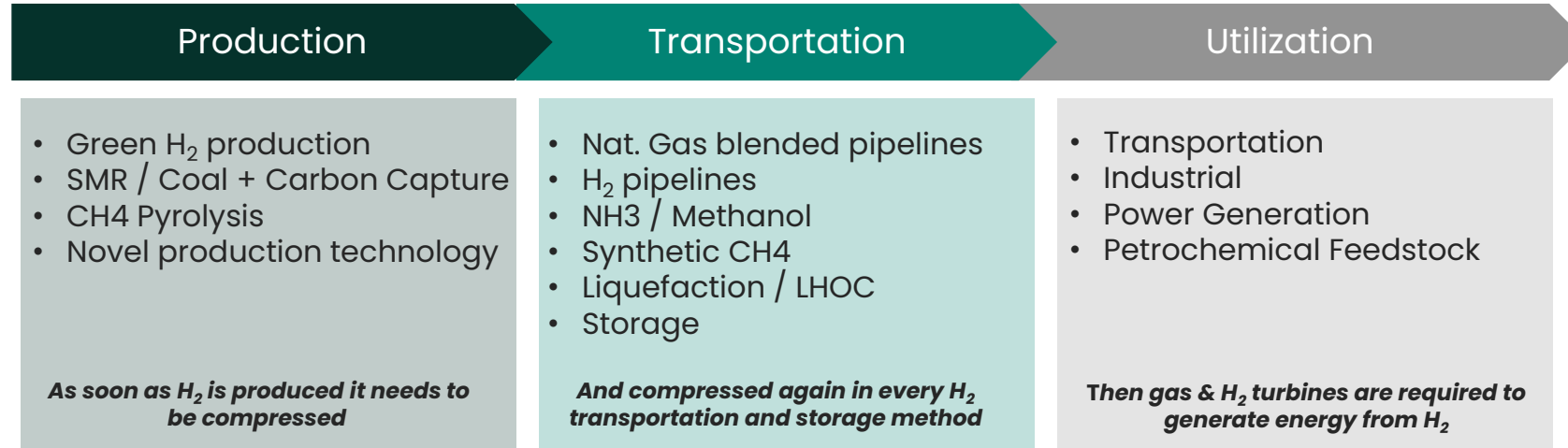
Experienced in capturing, compressing and storing CO<sub>2</sub>

Actively building out a portfolio of capture technologies

Involved in ~30 CCUS pilot projects globally

# BKR plays across the H<sub>2</sub> value chain

*BKR compressors and turbines will play a vital role in unlocking the Hydrogen Economy*



**Almost 60 years of experience working with hydrogen**

Extensive H<sub>2</sub> experience:  
+2,000 compressors  
+70 GTs

Ability to work with renewable energy sources to provide grid support

100% or blended H<sub>2</sub> fuel capabilities

### Technology Investments



Turquoise H2

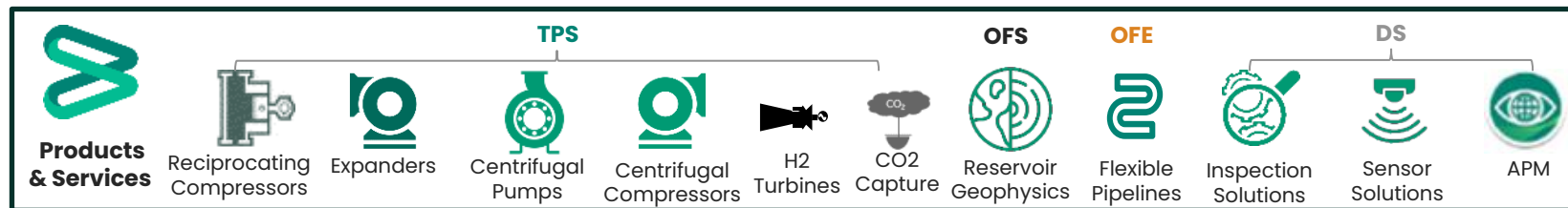


Early-stage technologies

### Technology Investments

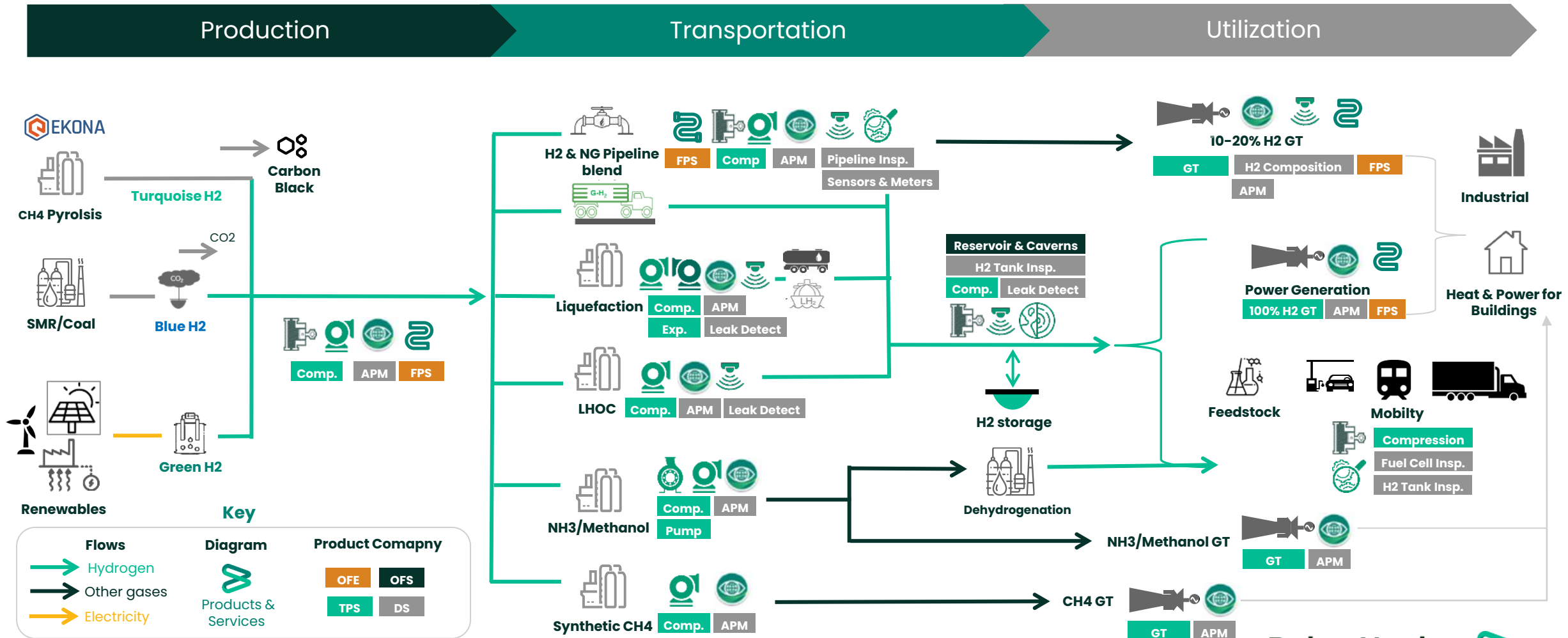


eFuels utilizing CO<sub>2</sub> & H<sub>2</sub>








# The Hydrogen Ecosystem

*BKR compressors and turbines will play a vital role across all methods of production, transport & utilization*



# Industrial Asset Management (IAM)

Bringing together key digital, software and hardware capabilities across the company

Condition Monitoring & Protection Solutions	Asset Strategy & Reliability Solutions	Asset Health & Analytic Solutions	Digital Applications	Asset Inspection Solutions
 <ul style="list-style-type: none"> <li>• 60-yrns of Bently Nevada condition monitoring</li> <li>• System 1 installed base</li> <li>• Cloud-enabled integrated APM software platform</li> <li>• Asset / equipment cybersecurity</li> </ul>	 <ul style="list-style-type: none"> <li>• Acquisition of ARMS Reliability</li> <li>• Combining maintenance, performance &amp; asset strategies</li> </ul>	 <ul style="list-style-type: none"> <li>• Investment &amp; multi-year commercial alliance with Augury</li> <li>• Connected asset management solution for energy &amp; heavy industrials</li> <li>• Broad Balance of Plant solutions</li> </ul>	 <ul style="list-style-type: none"> <li>• JV formed in 2019</li> <li>• Build, deploy and operate enterprise AI applications within the oil &amp; gas and industrial sectors</li> </ul>	 <ul style="list-style-type: none"> <li>• Non-destructive inspection for energy &amp; industrial infrastructure</li> <li>• Pipeline inspection solutions</li> <li>• Advanced robotic inspections</li> <li>• Computer vision &amp; image ingestion software</li> </ul>



**Increased performance**



**Improved focus & ROI**



**Sustainability Gains**



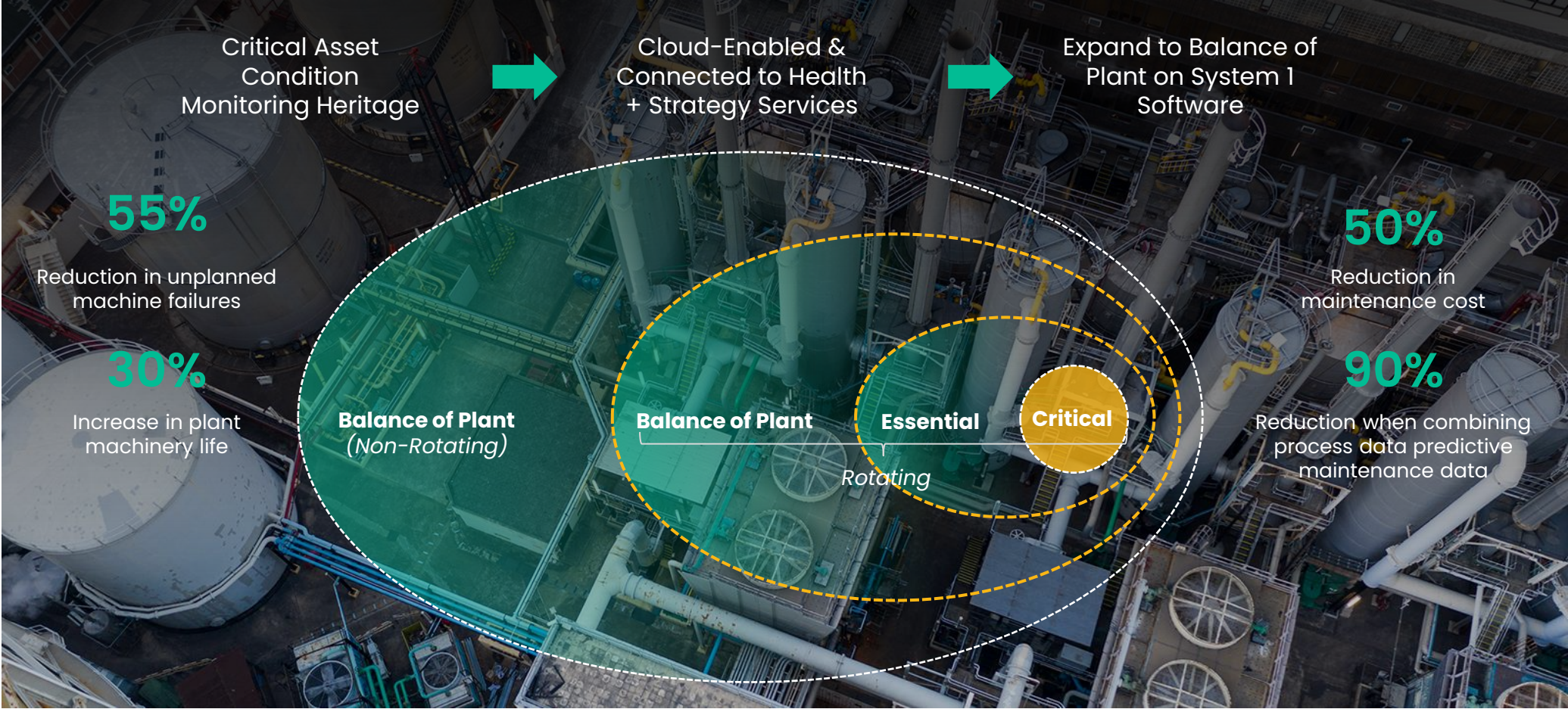
**Informed priorities**



**Accelerated with AI**

# Scaling Industrial Asset Management

*Integrated APM drives differentiation with holistic asset expertise*



O&G Upstream



O&G Mid, Down, & Chemicals



Pulp & Paper



Metals



Mining



Renewable



Thermal Power



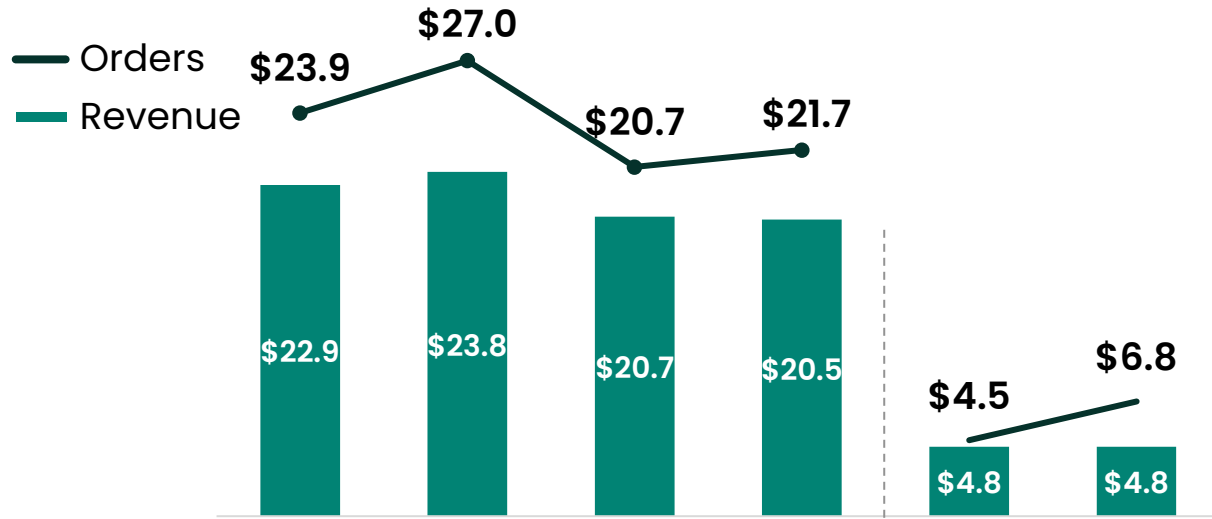
Aero & Auto



# Financial Overview

# Strong financial execution

## Financials (\$ in billions)

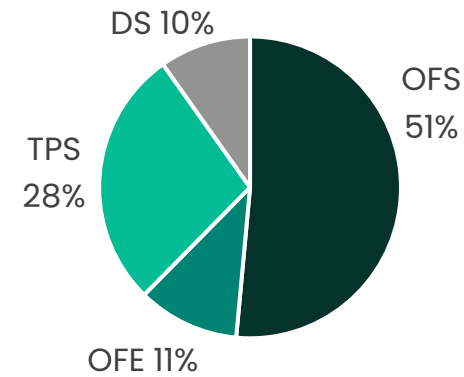


	2018	2019	2020	2021	1Q'21	1Q'22
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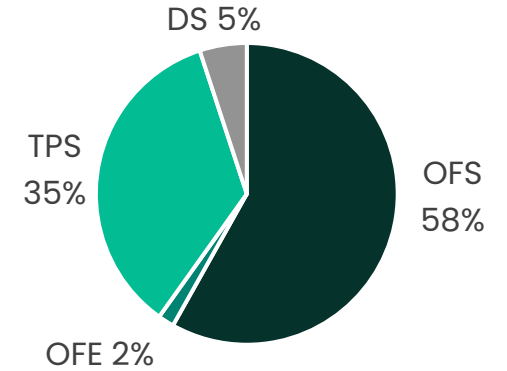
Adj. Op Income (non-GAAP)	\$1.4	\$1.6	\$1.0	\$1.6	\$0.3	\$0.3
Adj. Op Inc. %	6.1%	6.7%	5.0%	7.7%	5.6%	7.2%
D&A	\$1.5	\$1.4	\$1.3	\$1.1	\$0.3	\$0.3
Adj. EBITDA (non-GAAP)	\$2.9	\$3.0	\$2.4	\$2.7	\$0.6	\$0.6
Adj. EBITDA %	12.6%	12.7%	11.4%	13.1%	11.7%	12.9%
Free Cash Flow	\$1.2	\$1.2	\$0.5	\$1.8	\$0.5	\$(0.1)
FCF Conv. %	43%	38%	22%	68%	88.7%	(16.8)%

## Key highlights

### 1Q'22 Revenue



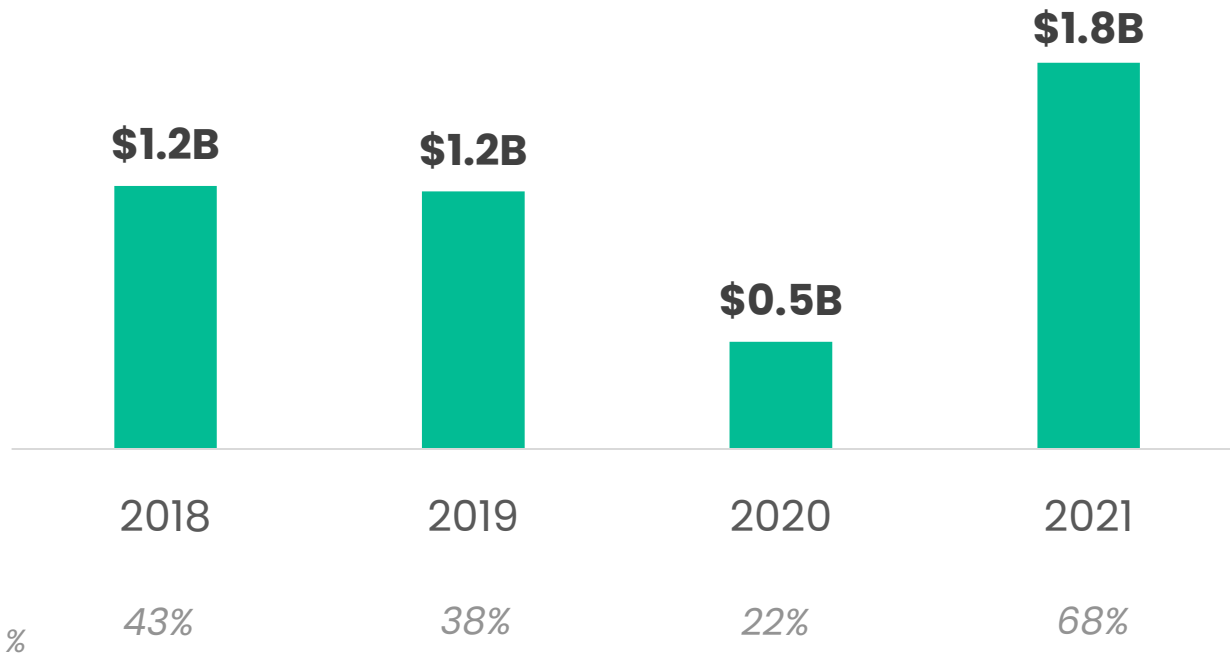
### 1Q'22 Segment EBITDA



- 22% US; 78% International revenue in 2021
- \$25.8B RPO\* – \$9.9B Equipment RPO, \$15.9B Services RPO
- Booked \$3.0B of orders in TPS in 1Q'22 – strongest quarter to date – driven by selected LNG projects

# Continued emphasis on free cash flow

## Delivering on FCF potential



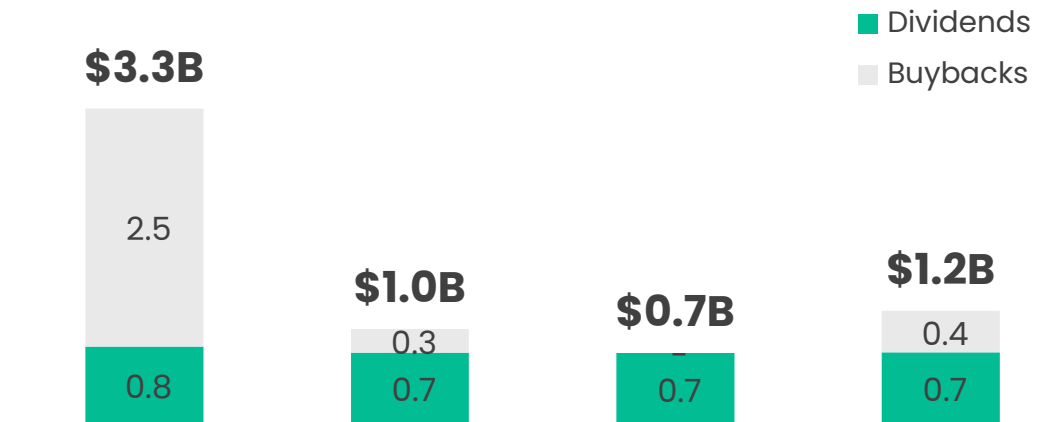
**Strong cash flow ... disciplined capital allocation ... focused on returns**

## Taking action to drive financial returns

- Continued focus on costs and productivity improvements
- Maintaining pricing discipline
- 2.6% Net Capex % of revenue
- Focused on maintaining investment grade rating
- ~\$1B inorganic investments funded through ~\$1B of disposals proceeds

# Returning capital to shareholders

## Peer leading capital returns



### Shareholder returns as:

	2018	2019	2020	2021
% FCF	269%	86%	144%	65%
% Avg. Market Cap	10%	4%	4%	5%

## Taking action to return capital to shareholders

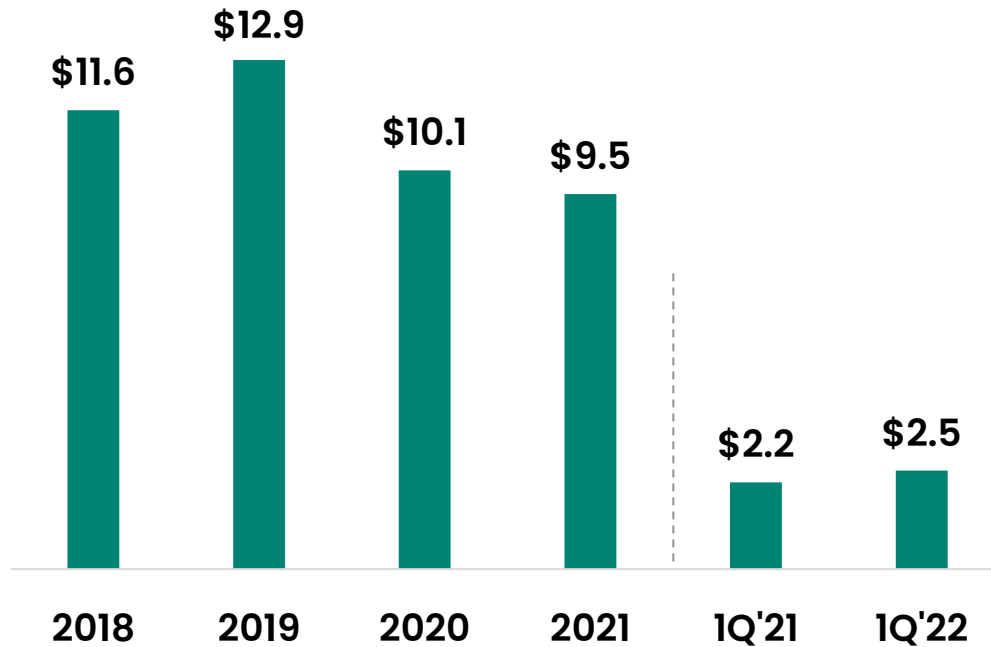
- Have returned over 100% of free cash flow to shareholders since 2018
- After maintaining dividend in 2020, announced \$2B share purchase authorization in July 2021
- Will continue to prioritize aggressively returning cash to shareholders while also investing in growth opportunities

**Over \$6B of capital returned to shareholders since 2018**

# Oilfield Services

## Financials (\$ in billions)

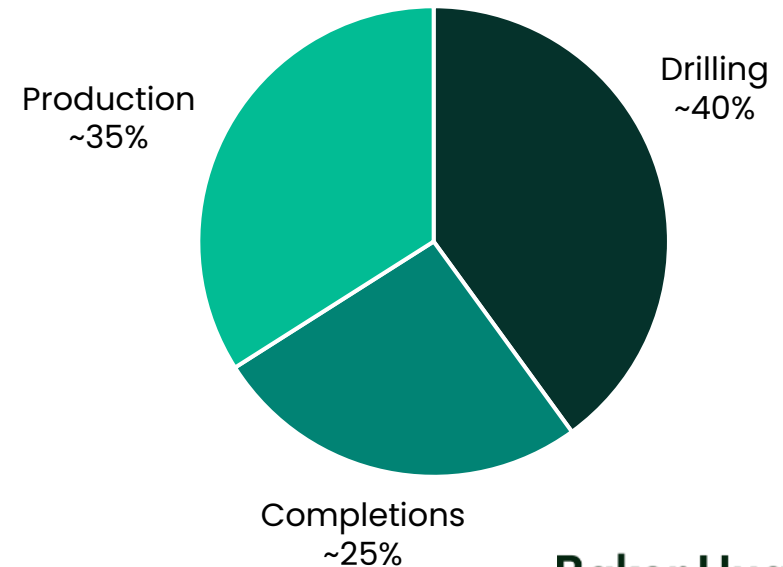
Revenue



	2018	2019	2020	2021	1Q'21	1Q'22
Op Inc.	\$0.8	\$0.9	\$0.5	\$0.8	\$0.1	\$0.2
Op Inc. %	6.8%	7.1%	4.8%	8.0%	6.5%	8.9%
EBITDA	\$1.8	\$1.9	\$1.4	\$1.5	\$0.3	\$0.4
EBITDA %	15.4%	14.8%	13.9%	16.1%	15.6%	16.9%

## Business highlights

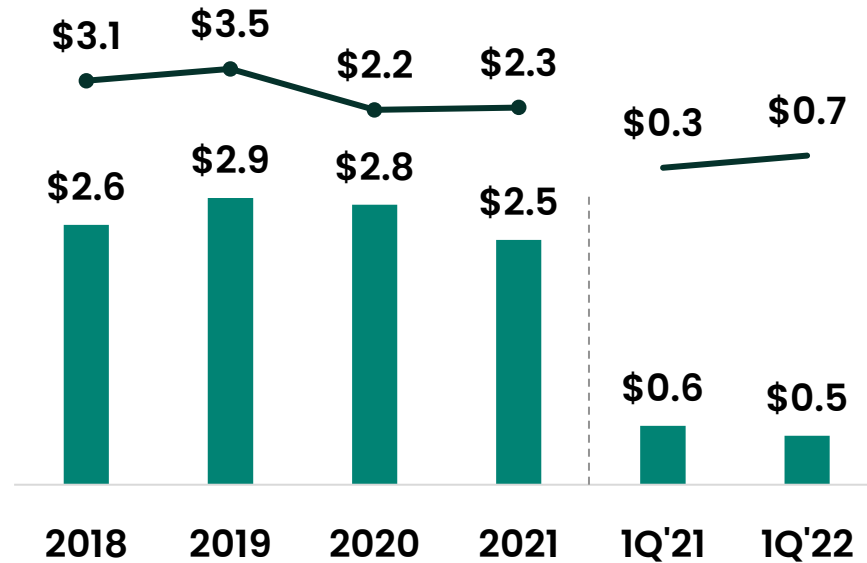
- ~100-year legacy, strong technology
- Core strengths around drilling services, artificial lift, chemicals, and select high-end completion tools
- ~30% North America / 70% International revenues in 2021
- Differentiated NAM portfolio ... ~58% revenues production related
- ~35% production oriented ... Artificial Lift and Chemicals



# Oilfield Equipment

## Financials (\$ in billions)

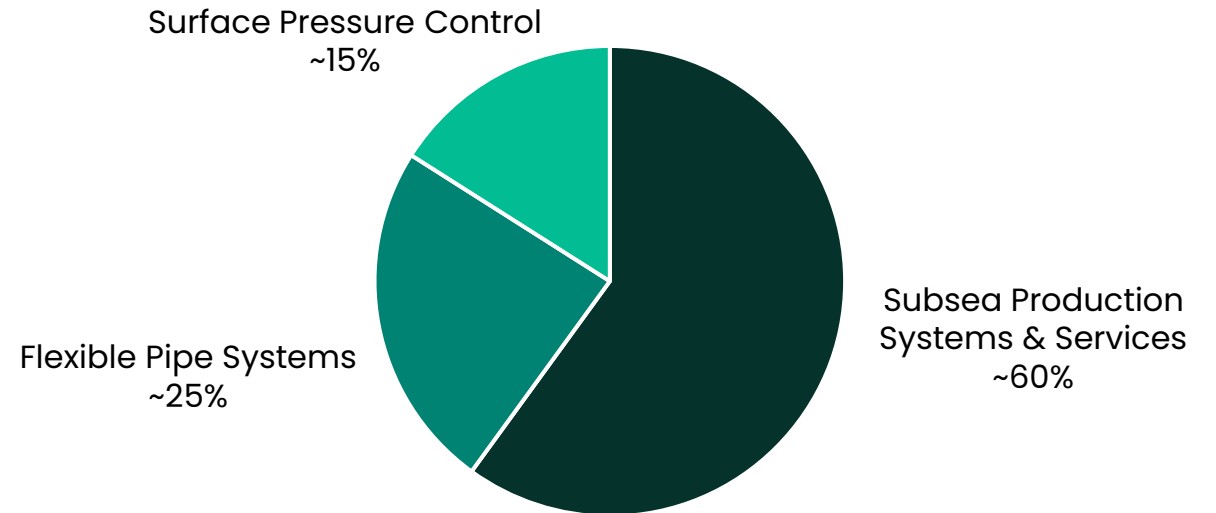
— Orders  
— Revenue



	2018	2019	2020	2021	1Q'21	1Q'22
Op Inc.	\$0.0	\$0.1	\$0.0	\$0.1	\$0.0	\$(0.0)
Op Inc. %	0.0%	1.9%	0.7%	2.8%	0.7%	(1.5)%
EBITDA	\$0.2	\$0.2	\$0.2	\$0.2	\$0.0	\$0.0
EBITDA %	6.6%	7.9%	5.8%	6.9%	5.8%	2.4%

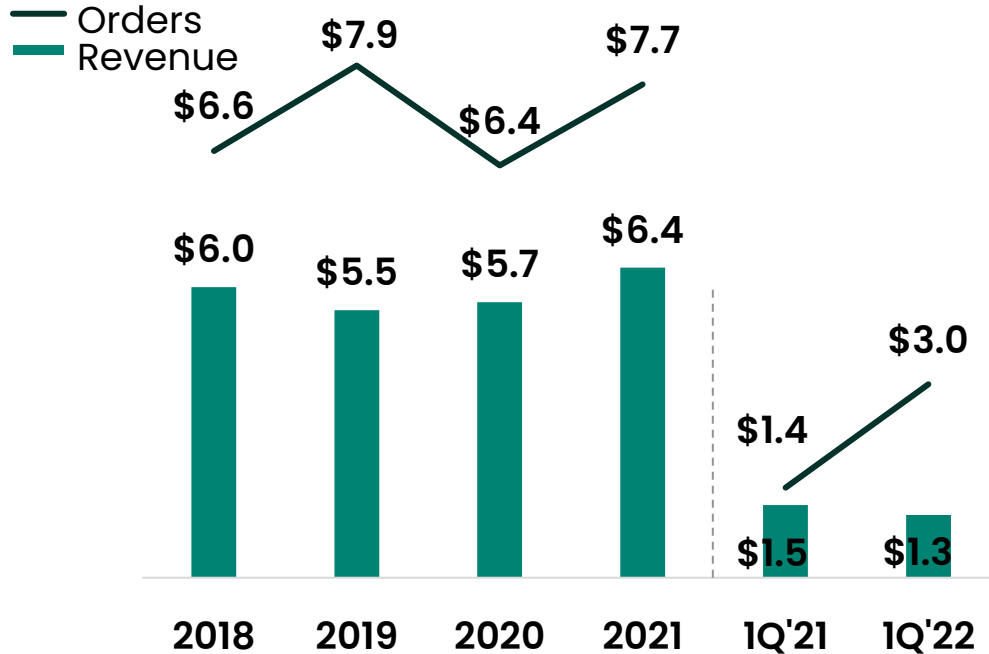
## Business highlights

- Leading subsea production systems & flexible pipes
- Collaborative partnerships & new models
- Expanding use of non-metallic flexibles
- Last 4-year revenue split:



# Turbomachinery & Process Solutions

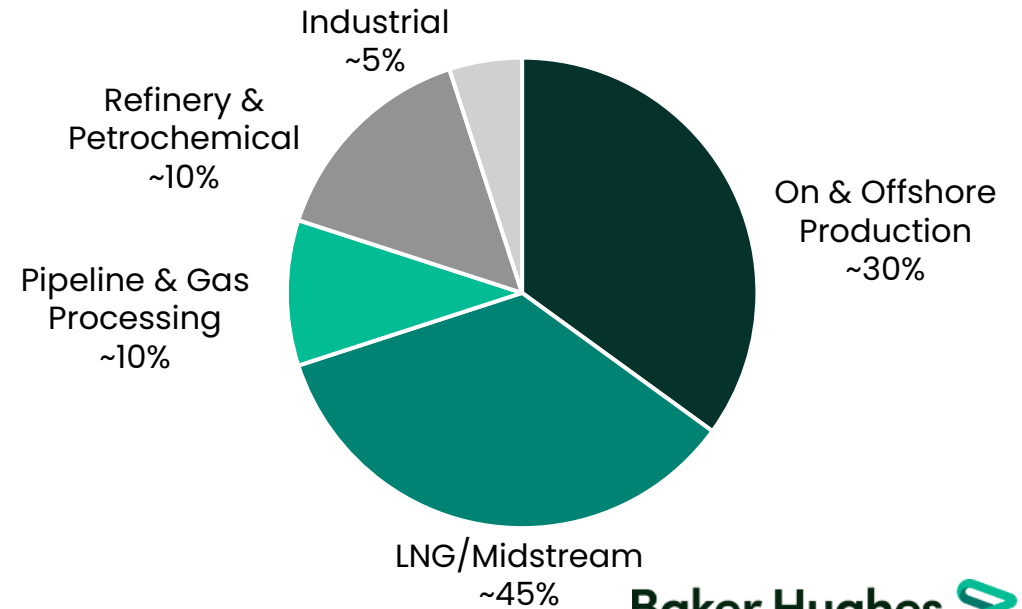
## Financials (\$ in billions)



	2018	2019	2020	2021	1Q'21	1Q'22
<b>Op Inc.</b>	\$0.6	\$0.7	\$0.8	\$1.1	\$0.2	\$0.2
<i>Op Inc. %</i>	10.3%	13.0%	14.1%	16.4%	13.9%	16.8%
<b>EBITDA</b>	\$0.8	\$0.8	\$0.9	\$1.2	\$0.2	\$0.3
<i>EBITDA %</i>	12.9%	15.1%	16.2%	18.2%	16.0%	18.9%

## Business highlights

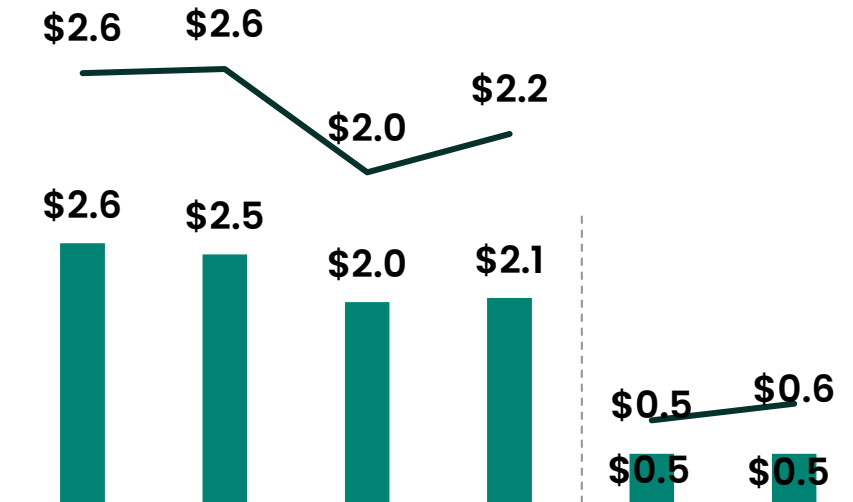
- Technology leader in LNG & upstream production
- Proven track record in the most challenging projects
- Significant installed base ... \$14.2B service backlog\* (RPO)
- ~420 MTPA of global LNG capacity driven by TPS technology
- 39% Equipment / 61% After-market Services revenue in 1Q'22
- Last 4-year equipment revenue split:



# Digital Solutions

## Financials (\$ in billions)

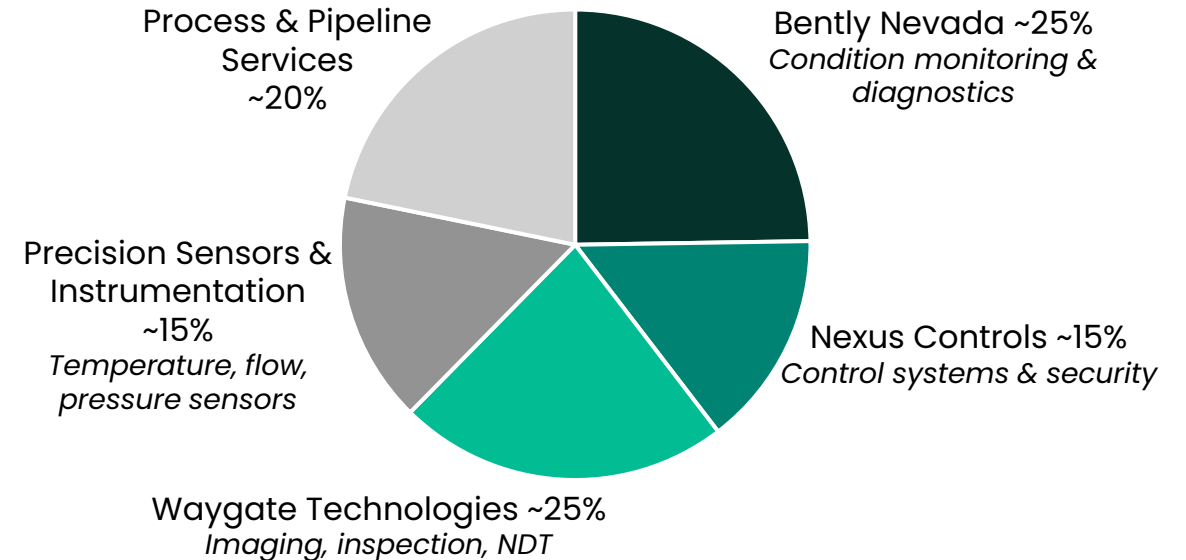
— Orders  
— Revenue



	2018	2019	2020	2021	1Q'21	1Q'22
<b>Op Inc.</b>	<b>\$0.4</b>	<b>\$0.3</b>	<b>\$0.2</b>	<b>\$0.1</b>	<b>\$0.0</b>	<b>\$0.0</b>
<i>Op Inc. %</i>	<i>15.0%</i>	<i>13.8%</i>	<i>9.6%</i>	<i>6.1%</i>	<i>5.2%</i>	<i>3.2%</i>
<b>EBITDA</b>	<b>\$0.5</b>	<b>\$0.4</b>	<b>\$0.3</b>	<b>\$0.2</b>	<b>\$0.0</b>	<b>\$0.0</b>
<i>EBITDA %</i>	<i>19.3%</i>	<i>17.9%</i>	<i>14.5%</i>	<i>10.4%</i>	<i>9.7%</i>	<i>7.7%</i>

## Business highlights

- Market leader in condition monitoring for natural gas and wind turbines
- Best in class measurement & sensing technology
- Leader in critical inspection technology
- 2021 revenue split:





# People, Planet, Principles

## Our Commitment to ESG

# At Baker Hughes we are committed to sustainability

Led by our purpose of making energy cleaner, safer, and more efficient for people and the planet

## Driving carbon footprint reduction

15%

### Reduction in Baker Hughes carbon emissions from 2019 baseline

- Investing in low carbon energy technologies enabling customer's emissions reduction
- Committed to achieving net zero operational emissions by 2050 and launched a Net-zero Roadmap on the key decarbonization levers.
- Expanded Scope 3 emissions reporting

## Committed to diversity, equity and inclusion



### Enacting new programs to promote inclusion and diversity

- Activated leadership accelerator and training programs
- 5,789 members of eight global employee resource groups to promote networking and mentorship

## Health, safety & wellness



### Providing a safe and healthy workplace for all

- Deploying remote operations, services, and testing to help our customers adapt to the changing workplace
- Donating 50,000 3D printed protective and medical parts to meet shortfalls at hospitals

## Ethics, compliance, and transparency



### Improving external reporting & internal processes

- Launched an updated Code of Conduct and supplier responsibility guidelines
- Expanded sustainability reporting to GRI Core Standards, TCFD, and SASB frameworks.

# Baker Hughes Corporate Responsibility framework

 **People**  
*Fostering diversity, equity, and inclusion*



 **Planet**  
*The dual challenge of energy & climate*



 **Principles**  
*Doing the right thing, always*



## Baker Hughes ESG ratings



Awarded AA ESG rating by MSCI



Awarded B rating by CDP



Awarded A ESG rating by Refinitiv



2020 Award for Goal Setting



# People

Innovative minds, engaged employees, and diverse perspectives are needed to **meet the world's pressing energy challenges**



## Diversity, Equity & Inclusion

### Enacting new programs to promote equity

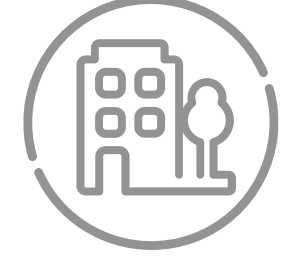
- In 2020, we empowered leaders to embed DEI into the **hiring process** using a new recruiting tool, RoleMapper. This tool is designed to develop **diverse and inclusive vacancy postings** that attract the widest possible pool of qualified and diverse talent
- In **2021, 19%** of our workforce, **18%** of senior leadership positions, and **33%** of our Board of Directors identify as women
- Specific to the U.S., **36%** of employees identify as people of color.
- **63%** of senior managers work outside the United States, in more than **80** countries in 2020



## Workforce Development

### Improving the employee experience for all

- In December 2020, we introduced our policy for formal **flexible work arrangements** in the U.S., allowing employees to agree with leadership on flextime, remote working, and a compressed workweek as priorities and responsibilities allowed
- In 2020, **6,155** employees completed leadership training courses
- In 2020, **5,789** employees enrolled in one or more of our 8 Employee Resource Groups, communities that come together around shared characteristics, interests, or experiences



## Supporting Communities

### Connecting globally, acting locally

- We launched a **new volunteer recognition program**, which allows employees to direct Baker Hughes Foundation grants to nonprofits in recognition of reaching volunteer milestones of 10 or more hours. More than 85 employees were awarded grants for outstanding volunteerism
- Employees spent **7,161 hours** volunteering their time and skills in 2020
- In 2020, through the Baker Hughes Foundation, we made in-kind and cash contributions of **\$119 million**



# Planet

At Baker Hughes, we are committed to reaching **net zero emissions** by 2050

## Enhanced Reporting



### Aligning to SASB, TCFD, GRI, and GHGP

In addition to aligning to new standards, this year, we debuted our **Net Zero roadmap**, which includes defining and operationalizing our efforts for the enterprise transformation, implementing comprehensive **sustainable supply-chain framework**, and continuing to innovate and advance our research and development of **low-carbon technology**

## Water and Biodiversity

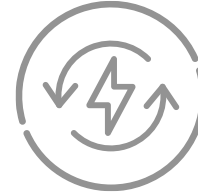


### Improving our environmental footprint

We completed the evaluation of **water risk** across our global operations using the World Resources Institute (WRI) Aqueduct tool.

In addition, in our 2020 Corporate Responsibility report, we expand upon our commitment to **biodiversity**, including recognizing the UNESCO “No-Go” Commitment for Natural World Heritage Sites

## GHG Baseline Reset



### Resetting our GHG baseline

We reset our carbon emissions reduction base year from **2012 to 2019** to account for corporate changes, new acquisitions, and divestitures in accordance with the Greenhouse Gas Protocol.

In comparison to our new 2019 baseline, our 2020 emissions decreased **15%** and our electricity from renewables increased to **22%**

## Expanded Scope 3



### Accounting for upstream and downstream emissions

In 2020, we **expanded our Scope 3** reporting by reporting on emissions from the capital goods acquisition of property, plant, and equipment, an expanded view of international shipping across the Baker Hughes enterprise, waste generated from our operations, and a portion of the use of sold products



# Principles

Doing the right thing, always, to protect our employees, customers, and the communities where we live and work



## Ethics, Compliance, and Transparency

Improving external reporting & internal processes

- **53,370** employees trained in ethics and compliance in 2020



## Health, Safety, and Environment

Providing a safe and healthy workplace for all

- Despite the pandemic, our Days Away from Work rate improved **8.3%** from 2019, and we reported **zero fatalities** for the second year in a row
- We achieved **204** Perfect HSE Days in 2021, a 2% increase from 2020
- We offer more than **250** unique HSE courses including foundational training required for all employees, workplace and job-specific training, and human-performance leadership training for managers
- HSE Management System aligns with the requirements of ISO 14001, the Environmental Management System standard; and ISO 9001, the Quality Management System standard



## Partnerships

Enhancing the pace and scale of the global energy transition

- In 2020, we joined the **Hydrogen Council and the European Commission Clean Hydrogen Alliance**, where we are working with the private sector partners, nongovernmental organizations, and governments in support of the development of a hydrogen economy allowing both blue and green hydrogen growth to reduce emissions from difficult to abate sectors
- We worked with the **Keystone Policy Center**, a nonprofit organization, on the development of a Decarbonization Dialogue

# Baker Hughes Board of Directors



- President & CEO of Baker Hughes since 2017
- Board member of Iveco Group N.V.

**Lorenzo Simonelli**  
*Chairman & CEO*



- CEO of Generation Capital since 2013
- Board member of Maple Leaf Foods & Fiera Capital Corp.
- Audit, Governance & Corporate Responsibility committees

**W. Geoffrey Beattie**  
*Independent Lead Director*



- Founder & CEO of Pine Grove Holdings, LLC, since 2011
- Board member of Boston Scientific, BorgWarner & Zebra Technologies Corporation
- Audit & Human Capital and Compensation committees

**Nelda J. Connors**



- CEO of Anglo American plc from 2007 to 2013
- Board member of Glencore, Pembina Pipeline Cor, and Hitachi, LTD.
- Audit & Human Capital and Compensation committees

**Cynthia B. Carroll**



- Executive Chairman of CCMP Capital Advisors, LLC, since 2016
- Board member of The Home Depot, Ecovyst Inc. & Hayward Holdings, Inc.
- Conflicts, Human Capital and Compensation, Governance & Corporate Responsibility committees

**Gregory D. Brenneman**



- President & CEO of Sunoco, Inc. from 2008 to 2012
- Board member of Saudi Aramco & GlaxoSmithKline
- Audit, Conflicts, Governance & Corporate Responsibility committees

**Lynn L. Elsenhans**



- Chief Transformation officer at Raytheon Technologies
- Previously Executive Vice President of Operations & Strategy at United Technologies

**Michael R. Dumais**



- Chairman & CEO of Spectra Energy Corporation from 2009 to 2017
- Chairman of Enbridge & board member of The Mosaic Company
- Audit, Governance & Corporate Responsibility committees

**Gregory L. Ebel**



- Chairman of GE Gas Power from 2018 to 2020
- CEO of GE Global Growth Organization from 2010 to 2017
- Board member of AIG, since 2022

**John G. Rice**

# Incentive compensation metrics aligned to shareholder returns

(2022 framework)

## Short-term

- 70% financial metrics
  - Free cash flow (35% weighted)
  - Adjusted EBITDA (25% weighted)
  - Revenue (10% weighted)
- 30% Strategic Blueprint priorities\*

## Long-term

- Relative return on invested capital (50% weighted)
- Relative Free cash flow conversion (50% weighted)
- Added multiplier for Total Shareholder Return performance





# Appendix

# Historical financials and non-GAAP reconciliation

(\$ in millions)

<u>Orders</u>	<u>TY'2018</u>	<u>1Q'19</u>	<u>2Q'19</u>	<u>3Q'19</u>	<u>4Q'19</u>	<u>TY'2019</u>	<u>1Q'20</u>	<u>2Q'20</u>	<u>3Q'20</u>	<u>4Q'20</u>	<u>TY'2020</u>	<u>1Q'21</u>	<u>2Q'21</u>	<u>3Q'21</u>	<u>4Q'21</u>	<u>TY'2021</u>	<u>1Q'22</u>
Oilfield Services	11,569	2,997	3,266	3,354	3,284	12,902	3,147	2,411	2,296	2,266	10,119	2,200	2,359	2,412	2,567	9,538	2,531
Oilfield Equipment	3,129	766	617	1,029	1,104	3,517	492	699	432	561	2,184	345	681	724	510	2,260	739
Turbomachinery	6,624	1,271	1,983	2,784	1,910	7,947	1,394	1,313	1,885	1,832	6,424	1,447	1,513	1,719	2,974	7,653	3,000
Digital Solutions	2,583	659	688	616	645	2,607	500	465	493	528	1,986	549	540	523	605	2,217	567
<b>Total Orders</b>	<b>23,904</b>	<b>5,693</b>	<b>6,554</b>	<b>7,783</b>	<b>6,944</b>	<b>26,973</b>	<b>5,532</b>	<b>4,888</b>	<b>5,106</b>	<b>5,188</b>	<b>20,714</b>	<b>4,541</b>	<b>5,093</b>	<b>5,378</b>	<b>6,656</b>	<b>21,668</b>	<b>6,837</b>
<b>Revenue</b>																	
Oilfield Services	11,617	2,986	3,263	3,348	3,292	12,889	3,139	2,411	2,308	2,282	10,140	2,200	2,358	2,419	2,566	9,542	2,489
Oilfield Equipment	2,641	735	693	728	765	2,921	712	696	726	712	2,844	628	637	603	619	2,486	528
Turbomachinery	6,015	1,302	1,405	1,197	1,632	5,536	1,085	1,161	1,513	1,946	5,705	1,485	1,628	1,562	1,742	6,417	1,345
Digital Solutions	2,604	592	632	609	659	2,492	489	468	503	556	2,015	470	520	510	558	2,057	474
<b>Total Revenue</b>	<b>22,877</b>	<b>5,615</b>	<b>5,994</b>	<b>5,882</b>	<b>6,347</b>	<b>23,838</b>	<b>5,425</b>	<b>4,736</b>	<b>5,049</b>	<b>5,495</b>	<b>20,705</b>	<b>4,782</b>	<b>5,142</b>	<b>5,093</b>	<b>5,485</b>	<b>20,502</b>	<b>4,835</b>
<b>Segment operating income (loss)</b>																	
Oilfield Services	785	176	233	274	235	917	206	46	93	142	487	143	171	190	256	761	221
Oilfield Equipment	0	12	14	14	16	55	(8)	(14)	19	23	19	4	28	14	23	69	(8)
Turbomachinery	621	118	135	161	305	719	134	149	191	332	805	207	220	278	346	1,050	226
Digital Solutions	390	68	84	82	109	343	29	41	46	76	193	24	25	26	51	126	15
<b>Total segment operating income (loss)</b>	<b>1,796</b>	<b>373</b>	<b>466</b>	<b>531</b>	<b>665</b>	<b>2,035</b>	<b>361</b>	<b>221</b>	<b>349</b>	<b>573</b>	<b>1,504</b>	<b>379</b>	<b>444</b>	<b>508</b>	<b>676</b>	<b>2,006</b>	<b>453</b>
Corporate	(405)	(100)	(105)	(109)	(118)	(433)	(122)	(117)	(115)	(111)	(464)	(109)	(111)	(105)	(106)	(429)	(105)
Merger, impairment, restructuring & other	(691)	(97)	(90)	(125)	(216)	(528)	(16,299)	(156)	(283)	(281)	(17,018)	(106)	(139)	(24)	3	(266)	(70)
<b>Operating income (loss) (GAAP)</b>	<b>701</b>	<b>176</b>	<b>271</b>	<b>297</b>	<b>331</b>	<b>1,074</b>	<b>(16,059)</b>	<b>(52)</b>	<b>(49)</b>	<b>182</b>	<b>(15,978)</b>	<b>164</b>	<b>194</b>	<b>378</b>	<b>574</b>	<b>1,310</b>	<b>279</b>
Memo: Depreciation & Amortization	1,486	350	360	355	354	1,418	355	340	315	307	1,317	292	278	262	273	1,105	277
<b>Non-GAAP reconciliation</b>																	
Operating income (loss) (GAAP)	701	176	271	297	331	1,074	(16,059)	(52)	(49)	182	(15,978)	164	194	378	574	1,310	279
Less: Merger, impairment, restructuring & other	(691)	(97)	(90)	(125)	(216)	(528)	(16,299)	(156)	(283)	(281)	(17,018)	(106)	(139)	(24)	3	(266)	(70)
<b>Adjusted operating income (Non-GAAP)</b>	<b>1,391</b>	<b>273</b>	<b>361</b>	<b>422</b>	<b>546</b>	<b>1,602</b>	<b>240</b>	<b>104</b>	<b>234</b>	<b>462</b>	<b>1,040</b>	<b>270</b>	<b>333</b>	<b>402</b>	<b>571</b>	<b>1,576</b>	<b>348</b>

# Non-GAAP reconciliations

(\$ in millions)

## Reconciliation of Segment Operating Income to Segment EBITDA

### Non-GAAP reconciliation

	<u>TY'2018</u>	<u>1Q'19</u>	<u>2Q'19</u>	<u>3Q'19</u>	<u>4Q'19</u>	<u>TY'2019</u>	<u>1Q'20</u>	<u>2Q'20</u>	<u>3Q'20</u>	<u>4Q'20</u>	<u>TY'2020</u>	<u>1Q'21</u>	<u>2Q'21</u>	<u>3Q'21</u>	<u>4Q'21</u>	<u>TY'2021</u>	<u>1Q'22</u>	
<b>Segment Operating Income</b>																		
Oilfield Services	785	176	233	274	235	917	206	46	93	142	487	143	171	190	256	761	221	
Oilfield Equipment	0	12	14	14	16	55	(8)	(14)	19	23	19	4	28	14	23	69	(8)	
Turbomachinery & Process Solutions	621	118	135	161	305	719	134	149	191	332	805	207	220	278	346	1,050	226	
Digital Solutions	390	68	84	82	109	343	29	41	46	76	193	24	25	26	51	126	15	
<b>Total Segment Operating income</b>	<b>1,796</b>	<b>373</b>	<b>466</b>	<b>531</b>	<b>665</b>	<b>2,035</b>	<b>361</b>	<b>221</b>	<b>349</b>	<b>573</b>	<b>1,504</b>	<b>379</b>	<b>444</b>	<b>508</b>	<b>676</b>	<b>2,006</b>	<b>453</b>	
<b>Add: Segment Depreciation &amp; Amortization</b>																		
Oilfield Services	1,003	240	248	251	246	985	249	248	217	211	926	201	195	183	193	771	201	
Oilfield Equipment	173	42	47	44	43	175	44	34	35	33	146	32	26	22	22	103	21	
Turbomachinery & Process Solutions	156	30	28	28	30	116	28	27	33	31	118	30	30	30	30	120	29	
Digital Solutions	112	26	25	25	27	103	25	24	24	25	98	21	22	22	22	88	22	
<b>Total Segment Depreciation &amp; Amortization</b>	<b>1,444</b>	<b>338</b>	<b>348</b>	<b>348</b>	<b>346</b>	<b>1,379</b>	<b>346</b>	<b>333</b>	<b>309</b>	<b>300</b>	<b>1,288</b>	<b>284</b>	<b>273</b>	<b>257</b>	<b>267</b>	<b>1,082</b>	<b>272</b>	
<b>Segment EBITDA (Non-GAAP)</b>																		
Oilfield Services	1,788	415	480	525	481	1,902	456	293	310	353	1,412	344	366	373	449	1,532	422	
Oilfield Equipment	173	54	61	58	58	230	36	20	54	56	166	37	53	36	46	172	13	
Turbomachinery & Process Solutions	777	148	163	189	335	835	161	176	223	362	923	237	250	308	375	1,170	255	
Digital Solutions	502	94	109	107	136	446	55	65	70	101	291	46	47	48	73	214	37	
<b>Total Segment EBITDA</b>	<b>3,240</b>	<b>711</b>	<b>813</b>	<b>879</b>	<b>1,010</b>	<b>3,413</b>	<b>708</b>	<b>554</b>	<b>657</b>	<b>872</b>	<b>2,792</b>	<b>664</b>	<b>716</b>	<b>765</b>	<b>943</b>	<b>3,088</b>	<b>726</b>	

## Reconciliation of Cash Flow From Operating Activities to Free Cash Flow

### Non-GAAP reconciliation

	<u>TY'2018</u>	<u>1Q'19</u>	<u>2Q'19</u>	<u>3Q'19</u>	<u>4Q'19</u>	<u>TY'2019</u>	<u>1Q'20</u>	<u>2Q'20</u>	<u>3Q'20</u>	<u>4Q'20</u>	<u>TY'2020</u>	<u>1Q'21</u>	<u>2Q'21</u>	<u>3Q'21</u>	<u>4Q'21</u>	<u>TY'2021</u>	<u>1Q'22</u>
Cash flow from operating activities (GAAP)	1,762	(184)	593	360	1,357	2,126	478	230	219	378	1,304	678	506	416	773	2,374	72
Add: cash used in capital expenditures, net of proceeds from disposal of assets	(537)	(235)	(238)	(199)	(304)	(976)	(325)	(167)	(167)	(127)	(787)	(180)	(121)	(111)	(129)	(541)	(177)
<b>Free cash flow (Non-GAAP)</b>	<b>1,225</b>	<b>(419)</b>	<b>355</b>	<b>161</b>	<b>1,053</b>	<b>1,150</b>	<b>152</b>	<b>63</b>	<b>52</b>	<b>250</b>	<b>518</b>	<b>498</b>	<b>385</b>	<b>305</b>	<b>645</b>	<b>1,832</b>	<b>(105)</b>

# Number of shares outstanding

(shares in millions)

	<u>1Q'18</u>	<u>2Q'18</u>	<u>3Q'18</u>	<u>4Q'18</u>	<u>1Q'19</u>	<u>2Q'19</u>	<u>3Q'19</u>	<u>4Q'19</u>	<u>1Q'20</u>	<u>2Q'20</u>	<u>3Q'20</u>	<u>4Q'20</u>	<u>1Q'21</u>	<u>2Q'21</u>	<u>3Q'21</u>	<u>4Q'21</u>	<u>1Q'22</u>
Class A shares	416.3	411.6	412.2	513.4	514.9	515.6	649.2	650.1	653.7	655.5	684.8	724.0	773.2	827.8	859.5	909.1	984.7
<i>Class A %</i>	<i>37.4%</i>	<i>37.4%</i>	<i>37.5%</i>	<i>49.6%</i>	<i>49.7%</i>	<i>49.7%</i>	<i>63.2%</i>	<i>63.3%</i>	<i>63.4%</i>	<i>63.5%</i>	<i>66.2%</i>	<i>69.9%</i>	<i>74.3%</i>	<i>79.5%</i>	<i>82.8%</i>	<i>88.6%</i>	<i>96.0%</i>
Class B shares	696.5	687.7	687.7	521.5	521.5	521.5	377.4	377.4	377.4	377.4	349.4	311.4	267.7	214.0	178.7	116.5	40.6
<i>Class B %</i>	<i>62.6%</i>	<i>62.6%</i>	<i>62.5%</i>	<i>50.4%</i>	<i>50.3%</i>	<i>50.3%</i>	<i>36.8%</i>	<i>36.7%</i>	<i>36.6%</i>	<i>36.5%</i>	<i>33.8%</i>	<i>30.1%</i>	<i>25.7%</i>	<i>20.5%</i>	<i>17.2%</i>	<i>11.4%</i>	<i>4.0%</i>
Total Share Count	1,112.8	1,099.4	1,099.9	1,034.9	1,036.5	1,037.2	1,026.6	1,027.5	1,031.2	1,032.9	1,034.2	1,035.4	1,040.9	1,041.8	1,038.2	1,025.7	1025.1

**Baker Hughes** 