UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2024

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

For the transition period from_________to__________

Commission File Number 1-38143

Baker Hughes Company

(Exact name of registrant as specified in its charter)

Delaware	**81-4403168**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
575 N. Dairy Ashford Rd., Suite 100 Houston, Texas	**77079-1121**
(Address of principal executive offices)	(Zip Code)

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

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☑ No ☐

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

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

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

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

As of July 17, 2024, the registrant had outstanding 993,423,677 shares of Class A Common Stock, $0.0001 par value per share.

Baker Hughes Company
Table of Contents

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)

Baker Hughes Company
Condensed Consolidated Statements of Income (Loss)
(Unaudited)

(In millions, except per share amounts)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenue:				
Sales of goods	$ 4,552	$ 3,793	$ 8,550	$ 7,276
Sales of services	2,587	2,522	5,007	4,754
Total revenue	7,139	6,315	13,557	12,030
Costs and expenses:				
Cost of goods sold	3,780	3,255	7,182	6,237
Cost of services sold	1,869	1,749	3,607	3,332
Selling, general and administrative	643	695	1,261	1,351
Restructuring, impairment and other	14	102	21	158
Total costs and expenses	6,306	5,801	12,071	11,078
Operating income	833	514	1,486	952
Other non-operating income, net	38	158	67	544
Interest expense, net	(47)	(58)	(88)	(122)
Income before income taxes	824	614	1,465	1,374
Provision for income taxes	(243)	(200)	(421)	(379)
Net income	581	414	1,044	995
Less: Net income attributable to noncontrolling interests	2	4	10	10
Net income attributable to Baker Hughes Company	$ 579	$ 410	$ 1,034	$ 985
Per share amounts:				
Basic income per Class A common stock	$ 0.58	$ 0.41	$ 1.04	$ 0.98
Diluted income per Class A common stock	$ 0.58	$ 0.40	$ 1.03	$ 0.97
Cash dividend per Class A common stock	$ 0.21	$ 0.19	$ 0.42	$ 0.38

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Baker Hughes Company
Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

(In millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net income	$ 581	$ 414	$ 1,044	$ 995
Less: Net income attributable to noncontrolling interests	2	4	10	10
Net income attributable to Baker Hughes Company	579	410	1,034	985
Other comprehensive income (loss):				
Foreign currency translation adjustments	(128)	231	(192)	169
Cash flow hedges	(4)	11	(2)	11
Benefit plans	6	(10)	9	(4)
Other comprehensive income (loss)	(126)	232	(185)	176
Less: Other comprehensive income (loss) attributable to noncontrolling interests	—	—	—	—
Other comprehensive income (loss) attributable to Baker Hughes Company	(126)	232	(185)	176
Comprehensive income	455	646	859	1,171
Less: Comprehensive income attributable to noncontrolling interests	2	4	10	10
Comprehensive income attributable to Baker Hughes Company	$ 453	$ 641	$ 849	$ 1,162

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Baker Hughes Company
Condensed Consolidated Statements of Financial Position
(Unaudited)

(In millions, except par value)	**June 30, 2024**	**December 31, 2023**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 2,284	$ 2,646
Current receivables, net	7,051	7,075
Inventories, net	5,126	5,094
All other current assets	1,469	1,486
Total current assets	15,930	16,301
Property, plant and equipment (net of accumulated depreciation of $5,940 and $5,678)	4,951	4,893
Goodwill	6,105	6,137
Other intangible assets, net	4,019	4,093
Contract and other deferred assets	1,868	1,756
All other assets	3,107	3,043
Deferred income taxes	676	722
Total assets	$ 36,656	$ 36,945
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 4,649	$ 4,471
Short-term and current portion of long-term debt	34	148
Progress collections and deferred income	5,506	5,542
All other current liabilities	2,397	2,830
Total current liabilities	12,586	12,991
Long-term debt	5,861	5,872
Deferred income taxes	156	176
Liabilities for pensions and other postretirement benefits	984	978
All other liabilities	1,348	1,409
Equity:		
Class A Common Stock, $0.0001 par value - 2,000 authorized, 993 and 998 issued and outstanding as of June 30, 2024 and December 31, 2023, respectively	—	—
Class B Common Stock, $0.0001 par value - 1,250 authorized, nil issued and outstanding as of June 30, 2024 and December 31, 2023	—	—
Capital in excess of par value	26,340	26,983
Retained loss	(7,785)	(8,819)
Accumulated other comprehensive loss	(2,981)	(2,796)
Baker Hughes Company equity	15,574	15,368
Noncontrolling interests	147	151
Total equity	15,721	15,519
Total liabilities and equity	$ 36,656	$ 36,945

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Baker Hughes Company
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

(In millions, except per share amounts)	Class A and Class B Common Stock	Capital in Excess of Par Value	Retained Loss	Accumulated Other Comprehensive Loss	Non-controlling Interests	Total Equity
Balance at December 31, 2023	$ —	$ 26,983	$ (8,819)	$ (2,796)	$ 151	$ 15,519
Comprehensive income (loss):						
Net income			1,034		10	1,044
Other comprehensive loss				(185)		(185)
Dividends on Class A common stock ($0.42 per share)		(419)				(419)
Repurchase and cancellation of Class A common stock		(324)				(324)
Stock-based compensation cost		101				101
Other		(1)			(14)	(15)
Balance at June 30, 2024	$ —	$ 26,340	$ (7,785)	$ (2,981)	$ 147	$ 15,721

(In millions, except per share amounts)	Class A and Class B Common Stock	Capital in Excess of Par Value	Retained Loss	Accumulated Other Comprehensive Loss	Non-controlling Interests	Total Equity
Balance at March 31, 2024	$ —	$ 26,610	$ (8,364)	$ (2,855)	$ 159	$ 15,550
Comprehensive income (loss):						
Net income			579		2	581
Other comprehensive loss				(126)		(126)
Dividends on Class A common stock ($0.21 per share)		(209)				(209)
Repurchase and cancellation of Class A common stock		(166)				(166)
Stock-based compensation cost		50				50
Other		55			(14)	41
Balance at June 30, 2024	$ —	$ 26,340	$ (7,785)	$ (2,981)	$ 147	$ 15,721

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Baker Hughes Company
Condensed Consolidated Statements of Changes in Equity
(Unaudited)

(In millions, except per share amounts)	Class A and Class B Common Stock	Capital in Excess of Par Value	Retained Loss	Accumulated Other Comprehensive Loss	Non-controlling Interests	Total Equity
Balance at December 31, 2022	$ —	$ 28,126	$ (10,761)	$ (2,971)	$ 131	$ 14,525
Comprehensive income:						
Net income			985		10	995
Other comprehensive income				176		176
Dividends on Class A common stock ($0.38 per share)		(384)				(384)
Repurchase and cancellation of Class A common stock		(99)				(99)
Stock-based compensation cost		98				98
Other		(45)			(4)	(49)
Balance at June 30, 2023	$ —	$ 27,696	$ (9,776)	$ (2,795)	$ 137	$ 15,262

(In millions, except per share amounts)	Class A and Class B Common Stock	Capital in Excess of Par Value	Retained Loss	Accumulated Other Comprehensive Loss	Non-controlling Interests	Total Equity
Balance at March 31, 2023	$ —	$ 27,925	$ (10,185)	$ (3,026)	$ 135	$ 14,849
Comprehensive income:						
Net income			410		4	414
Other comprehensive income				232		232
Dividends on Class A common stock ($0.19 per share)		(192)				(192)
Repurchase and cancellation of Class A common stock		(99)				(99)
Stock-based compensation cost		49				49
Other		13	(1)	(1)	(2)	9
Balance at June 30, 2023	$ —	$ 27,696	$ (9,776)	$ (2,795)	$ 137	$ 15,262

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

Baker Hughes Company
Condensed Consolidated Statements of Cash Flows
(Unaudited)

(In millions)	Six Months Ended June 30, 2024	2023
Cash flows from operating activities:		
Net income	$ 1,044	$ 995
Adjustments to reconcile net income to net cash flows from operating activities:		
Depreciation and amortization	566	545
Stock-based compensation cost	101	98
Gain on equity securities	(71)	(540)
Provision for deferred income taxes	33	110
Inventory impairment	—	33
Changes in operating assets and liabilities:		
Current receivables	(5)	(323)
Inventories	(124)	(332)
Accounts payable	227	(156)
Progress collections and deferred income	17	1,223
Contract and other deferred assets	(151)	(236)
Other operating items, net	(505)	(97)
Net cash flows from operating activities	1,132	1,320
Cash flows from investing activities:		
Expenditures for capital assets	(625)	(587)
Proceeds from disposal of assets	101	87
Proceeds from business dispositions	—	293
Net cash paid for acquisitions	—	(282)
Other investing items, net	(6)	75
Net cash flows used in investing activities	(530)	(414)
Cash flows from financing activities:		
Repayment of long-term debt	(125)	—
Dividends paid	(419)	(384)
Repurchase of Class A common stock	(324)	(99)
Other financing items, net	(61)	(67)
Net cash flows used in financing activities	(929)	(550)
Effect of currency exchange rate changes on cash and cash equivalents	(35)	(39)
Increase (decrease) in cash and cash equivalents	(362)	317
Cash and cash equivalents, beginning of period	2,646	2,488
Cash and cash equivalents, end of period	$ 2,284	$ 2,805
Supplemental cash flows disclosures:		
Income taxes paid, net of refunds	$ 336	$ 323
Interest paid	$ 150	$ 157

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

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

DESCRIPTION OF THE BUSINESS

Baker Hughes Company ("Baker Hughes," "the Company," "we," "us," or "our") is an energy technology company with a diversified portfolio of technologies and services that span the energy and industrial value chain.

BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S.") and pursuant to the rules and regulations of the Securities and Exchange Commission for interim financial information. Accordingly, certain information and disclosures normally included in our annual financial statements have been condensed or omitted. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Annual Report").

In the opinion of management, the condensed consolidated financial statements reflect all adjustments (consisting of normal recurring adjustments) considered necessary by management to fairly state our results of operations, financial position and cash flows of the Company and its subsidiaries for the periods presented and are not indicative of the results that may be expected for a full year. The Company's financial statements have been prepared on a consolidated basis. Under this basis of presentation, our financial statements consolidate all of our subsidiaries (entities in which we have a controlling financial interest, most often because we hold a majority voting interest). All intercompany accounts and transactions have been eliminated.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Please refer to "Note 1. Basis of Presentation and Summary of Significant Accounting Policies," to our consolidated financial statements from our 2023 Annual Report for the discussion of our significant accounting policies.

Supply Chain Finance Programs

As of June 30, 2024 and December 31, 2023, $ 448 million and $332 million of supply chain finance program liabilities are recorded in "Accounts payable" in our condensed consolidated statements of financial position, respectively, and reflected in net cash flows from operating activities in our condensed consolidated statements of cash flows when settled.

NEW ACCOUNTING STANDARDS TO BE ADOPTED

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 provide for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for the Company prospectively to all annual periods beginning after December 15, 2024. Early adoption is permitted. The Company is continuing to evaluate the impact of this standard on our disclosures.

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"), which enhances the disclosures required for operating segments in the Company's annual and interim consolidated financial statements. ASU 2023-07 is effective retrospectively for fiscal years beginning after December 15, 2023 and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of this standard on our disclosures.

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

NOTE 2. CURRENT RECEIVABLES

Current receivables consist of the following:

	June 30, 2024	December 31, 2023
Customer receivables	$ 6,042	$ 6,033
Other	1,347	1,392
Total current receivables	7,389	7,425
Less: Allowance for credit losses	(338)	(350)
Total current receivables, net	$ 7,051	$ 7,075

Customer receivables are recorded at the invoiced amount. The "Other" category consists primarily of advance payments to suppliers and indirect taxes.

NOTE 3. INVENTORIES

Inventories, net of reserves of $403 million and $389 million as of June 30, 2024 and December 31, 2023, respectively, consist of the following:

	June 30, 2024	December 31, 2023
Finished goods	$ 2,624	$ 2,626
Work in process and raw materials	2,502	2,468
Total inventories, net	$ 5,126	$ 5,094

During the three and six months ended June 30, 2023, we recorded inventory impairments of $ 15 million and $33 million, respectively, primarily in our Oilfield Services & Equipment ("OFSE") segment related to exit activities at specific locations. See "Note 17. Restructuring, Impairment, and Other" for further information.

NOTE 4. OTHER INTANGIBLE ASSETS

Intangible assets consist of the following:

	June 30, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	$ 1,932	$ (850)	$ 1,082	$ 1,945	$ (818)	$ 1,127
Technology	1,254	(940)	314	1,253	(899)	354
Trade names and trademarks	290	(191)	99	290	(186)	104
Capitalized software	1,461	(1,139)	322	1,413	(1,107)	306
Finite-lived intangible assets	4,937	(3,120)	1,817	4,901	(3,010)	1,891
Indefinite-lived intangible assets	2,202	—	2,202	2,202	—	2,202
Total intangible assets	$ 7,139	$ (3,120)	$ 4,019	$ 7,103	$ (3,010)	$ 4,093

Amortization expense for the three months ended June 30, 2024 and 2023 was $ 66 million and $63 million, respectively, and $133 million and $126 million for the six months ended June 30, 2024 and 2023, respectively.

Estimated amortization expense for the remainder of 2024 and each of the subsequent five fiscal years is expected to be as follows:

Year	Estimated Amortization Expense
Remainder of 2024	$ 129
2025	222
2026	177
2027	154
2028	132
2029	110

NOTE 5. CONTRACT AND OTHER DEFERRED ASSETS

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

	June 30, 2024	December 31, 2023
Long-term product service agreements	$ 395	$ 418
Long-term equipment contracts and certain other service agreements	1,324	1,184
Contract assets (total revenue in excess of billings)	1,719	1,602
Deferred inventory costs	128	126
Other costs to fulfill or obtain a contract	21	28
Contract and other deferred assets	$ 1,868	$ 1,756

Revenue recognized during the three months ended June 30, 2024 and 2023 from performance obligations satisfied (or partially satisfied) in previous periods related to our long-term service agreements was $(3) million and $13 million, respectively, and $(4) million and $14 million during the six months ended June 30, 2024 and 2023, respectively. This includes revenue recognized from revisions to cost or billing estimates that may affect a contract's total estimated profitability.

NOTE 6. PROGRESS COLLECTIONS AND DEFERRED INCOME

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

	June 30, 2024	December 31, 2023
Progress collections	$ 5,359	$ 5,405
Deferred income	147	137
Progress collections and deferred income (contract liabilities)	$ 5,506	$ 5,542

Revenue recognized during the three months ended June 30, 2024 and 2023 that was included in the contract liabilities at the beginning of the period was $1,392 million and $507 million, respectively, and $2,868 million and $1,468 million during the six months ended June 30, 2024 and 2023, respectively.

NOTE 7. LEASES

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

	Three Months Ended June 30,		Six Months Ended June 30,	
Operating Lease Expense	**2024**	**2023**	**2024**	**2023**
Long-term fixed lease	$ 73	$ 68	$ 146	$ 137
Long-term variable lease	21	19	45	34
Short-term lease	129	124	270	251
Total operating lease expense	$ 223	$ 210	$ 461	$ 422

Cash flows used in operating activities for operating leases approximates our expense for the three and six months ended June 30, 2024 and 2023.

The weighted-average remaining lease term as of June 30, 2024 and December 31, 2023 was approximately seven years for our operating leases. The weighted-average discount rate used to determine the operating lease liability as of June 30, 2024 and December 31, 2023 was 4.1% and 3.9%, respectively.

NOTE 8. DEBT

The carrying value of our short-term and long-term debt consists of the following:

	June 30, 2024	December 31, 2023
Short-term and current portion of long-term debt		
8.55% Debentures due June 2024	$ —	$ 109
Other debt	34	39
Total short-term and current portion of long-term debt	34	148
Long-term debt		
2.061% Senior Notes due December 2026	598	598
3.337% Senior Notes due December 2027	1,292	1,294
6.875% Notes due January 2029	265	268
3.138% Senior Notes due November 2029	523	523
4.486% Senior Notes due May 2030	498	498
5.125% Senior Notes due September 2040	1,278	1,281
4.080% Senior Notes due December 2047	1,338	1,338
Other long-term debt	69	73
Total long-term debt	5,861	5,872
Total debt	$ 5,895	$ 6,020

The estimated fair value of total debt at June 30, 2024 and December 31, 2023 was $ 5,254 million and $5,571 million, respectively. For a majority of our debt the fair value was determined using quoted period-end market prices. Where market prices are not available, we estimate fair values based on valuation methodologies using current market interest rate data adjusted for our non-performance risk.

We have a $3.0 billion committed unsecured revolving credit facility ("the Credit Agreement") with commercial banks maturing in November 2028. The Credit Agreement contains certain representations and warranties, certain affirmative covenants and negative covenants, in each case we consider customary. No related events of default have occurred. The Credit Agreement is fully and unconditionally guaranteed on a senior unsecured basis by Baker Hughes. At June 30, 2024 and December 31, 2023, there were no borrowings under the Credit Agreement.

Baker Hughes Co-Obligor, Inc. is a co-obligor, jointly and severally with Baker Hughes Holdings LLC ("BHH LLC") on our long-term debt securities. This co-obligor is a 100%-owned finance subsidiary of BHH LLC that was incorporated for the sole purpose of serving as a corporate co-obligor of long-term debt securities and has no assets or operations other than those related to its sole purpose. As of June 30, 2024, Baker Hughes Co-Obligor, Inc. is a co-obligor of certain debt securities totaling $5.8 billion.

Certain Senior Notes contain covenants that restrict our ability to take certain actions, including, but not limited to, the creation of certain liens securing debt, the entry into certain sale-leaseback transactions, and engaging in certain merger, consolidation and asset sale transactions in excess of specified limits. At June 30, 2024, we were in compliance with all debt covenants.

NOTE 9. INCOME TAXES

For the three and six months ended June 30, 2024, the provision for income taxes was $ 243 million and $421 million, respectively. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to income in jurisdictions with tax rates higher than in the U.S. and losses with no tax benefit due to valuation allowances, partially offset by income subject to U.S. tax at an effective rate less than 21% due to valuation allowances.

For the three and six months ended June 30, 2023, the provision for income taxes was $ 200 million and $379 million, respectively. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to income in jurisdictions with tax rates higher than in the U.S., which is partially offset by tax benefits related to uncertain tax positions. Further, for the six months ended June 30, 2023, the tax rate is also partially reduced by income subject to U.S. tax at an effective rate less than 21% due to valuation allowances.

NOTE 10. EQUITY

COMMON STOCK

We are authorized to issue 2 billion shares of Class A common stock, 1.25 billion shares of Class B common stock and 50 million shares of preferred stock, each of which has a par value of $0.0001 per share. As of June 30, 2024 and December 31, 2023, there were no shares of Class B common stock issued and outstanding. We have not issued any preferred stock.

We have a share repurchase program which we expect to fund from cash generated from operations, and we expect to make share repurchases from time to time subject to the Company's capital plan, market conditions, and other factors, including regulatory restrictions. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date. During the three and six months ended June 30, 2024, the Company repurchased and canceled 5.1 million and 10.5 million shares of Class A common stock for $ 166 million and $324 million, representing an average price per share of $32.19 and $30.72, respectively. During the three and six months ended June 30, 2023, the Company repurchased and canceled 3.6 million shares of Class A common stock for $ 99 million, representing an average price per share of $27.66. As of June 30, 2024, the Company had authorization remaining to repurchase up to approximately $1.9 billion of its Class A common stock.

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

	Class A Common Stock	
	2024	2023
Balance at January 1	997,709	1,005,960
Issue of shares upon vesting of restricted stock units [(1)]	4,831	5,535
Issue of shares on exercise of stock options [(1)]	21	203
Issue of shares for employee stock purchase plan	919	959
Repurchase and cancellation of Class A common stock	(10,539)	(3,596)
Balance at June 30	992,941	1,009,061

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

ACCUMULATED OTHER COMPREHENSIVE LOSS (AOCL)

The following tables present the changes in accumulated other comprehensive loss, net of tax:

	Foreign Currency Translation Adjustments	Cash Flow Hedges	Benefit Plans	Accumulated Other Comprehensive Loss
Balance at December 31, 2023	$ (2,513)	$ (6)	$ (277)	$ (2,796)
Other comprehensive income (loss) before reclassifications	(192)	(3)	—	(195)
Amounts reclassified from accumulated other comprehensive loss	—	—	9	9
Deferred taxes	—	1	—	1
Other comprehensive income (loss)	(192)	(2)	9	(185)
Balance at June 30, 2024	$ (2,705)	$ (8)	$ (268)	$ (2,981)

	Foreign Currency Translation Adjustments	Cash Flow Hedges	Benefit Plans	Accumulated Other Comprehensive Loss
Balance at December 31, 2022	$ (2,666)	$ (9)	$ (296)	$ (2,971)
Other comprehensive loss before reclassifications	169	11	(13)	167
Amounts reclassified from accumulated other comprehensive loss	—	2	7	9
Deferred taxes	—	(2)	2	—
Other comprehensive income (loss)	169	11	(4)	176
Balance at June 30, 2023	$ (2,497)	$ 1	$ (299)	$ (2,795)

The amounts reclassified from accumulated other comprehensive loss during the six months ended June 30, 2024 and 2023 represent (i) gains (losses) reclassified on cash flow hedges when the hedged transaction occurs, (ii) the amortization of net actuarial gain (loss), prior service credit, settlements, and curtailments which are included in the computation of net periodic pension cost, and (iii) the release of foreign currency translation adjustments.

NOTE 11. EARNINGS PER SHARE

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

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions, except per share amounts)	2024	2023	2024	2023
Net income	$ 581	$ 414	$ 1,044	$ 995
Less: Net income attributable to noncontrolling interests	2	4	10	10
Net income attributable to Baker Hughes Company	$ 579	$ 410	$ 1,034	$ 985
Weighted average shares outstanding:				
Class A basic	996	1,010	997	1,010
Class A diluted	1,001	1,015	1,002	1,016
Net income per share attributable to common stockholders:				
Class A basic	$ 0.58	$ 0.41	$ 1.04	$ 0.98
Class A diluted	$ 0.58	$ 0.40	$ 1.03	$ 0.97

For the three and six months ended June 30, 2024 and 2023, Class A diluted shares include the dilutive impact of equity awards except for approximately 1 million and 2 million options, respectively, that were excluded because the exercise price exceeded the average market price of our Class A common stock and is therefore antidilutive.

NOTE 12. FINANCIAL INSTRUMENTS

RECURRING FAIR VALUE MEASUREMENTS

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

	June 30, 2024				December 31, 2023			
	Level 1	Level 2	Level 3	Net Balance	Level 1	Level 2	Level 3	Net Balance
Assets								
Derivatives	$ —	$ 15	$ —	$ 15	$ —	$ 34	$ —	$ 34
Investment securities	1,044	—	2	1,046	1,040	—	2	1,042
Total assets	1,044	15	2	1,061	1,040	34	2	1,076
Liabilities								
Derivatives	—	(64)	—	(64)	—	(76)	—	(76)
Total liabilities	$ —	$ (64)	$ —	$ (64)	$ —	$ (76)	$ —	$ (76)

	June 30, 2024				December 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Investment securities [1]								
Non-U.S. debt securities [2]	$ 7	$ —	$ —	$ 7	$ 66	$ 1	$ —	$ 67
Equity securities	537	502	—	1,039	527	451	(3)	975
Total	$ 544	$ 502	$ —	$ 1,046	$ 593	$ 452	$ (3)	$ 1,042

(1) Gains (losses) recorded to earnings related to these securities were $19 million and $(1) million for the three months ended June 30, 2024 and 2023, respectively, and $45 million and $391 million for the six months ended June 30, 2024 and 2023, respectively.

(2) As of June 30, 2024, our non-U.S. debt securities are classified as available for sale securities and mature within two years.

As of June 30, 2024 and December 31, 2023, the balance of our equity securities with readily determinable fair values is $ 1,039 million and $975 million, respectively, and is comprised mainly of our investment in ADNOC Drilling, and is recorded primarily in "All other current assets" in the condensed consolidated statements of financial position. We measured our investments at fair value based on quoted prices in active markets.

Gains recorded to earnings for our equity securities with readily determinable fair values were $ 19 million and $29 million for the three months ended June 30, 2024 and 2023, respectively, and $71 million and $421 million for the six months ended June 30, 2024 and 2023, respectively. Gains (losses) related to our equity securities with readily determinable fair values are reported in "Other non-operating income (loss), net" in the condensed consolidated statements of income (loss).

OTHER EQUITY INVESTMENTS

During the second quarter of 2023, certain equity securities without a readily determinable fair value were remeasured as of the date that an observable transaction occurred, which resulted in the Company recording a gain of $118 million. Gains (losses) related to our equity securities without readily determinable fair values are reported in "Other non-operating income (loss), net" in our condensed consolidated statements of income (loss).

FAIR VALUE DISCLOSURE OF FINANCIAL INSTRUMENTS

Our financial instruments include cash and cash equivalents, receivables, certain investments, accounts payable, short and long-term debt, and derivative financial instruments. Except for long-term debt, the estimated fair value of these financial instruments as of June 30, 2024 and December 31, 2023 approximates their carrying value as reflected in our condensed consolidated financial statements. For further information on the fair value of our debt, see "Note 8. Debt."

DERIVATIVES AND HEDGING

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

	June 30, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Derivatives accounted for as hedges				
Currency exchange contracts	$ 8	$ (1)	$ 10	$ (3)
Interest rate swap contracts	—	(55)	—	(52)
Derivatives not accounted for as hedges				
Currency exchange contracts and other	7	(8)	24	(21)
Total derivatives	$ 15	$ (64)	$ 34	$ (76)

Derivatives are classified in the condensed consolidated statements of financial position depending on their respective maturity date. As of June 30, 2024 and December 31, 2023, $14 million and $31 million of derivative assets are recorded in "All other current assets" and $ 1 million and $3 million are recorded in "All other assets" in the condensed consolidated statements of financial position, respectively. As of June 30, 2024 and December 31, 2023, $9 million and $23 million of derivative liabilities are recorded in "All other current liabilities" and $ 55 million and $53 million are recorded in "All other liabilities" in the condensed consolidated statements of financial position, respectively.

In January 2024, we issued a credit default swap ("CDS") for a notional amount of $ 261 million to a third-party financial institution. The CDS relates to a secured borrowing provided by the financial institution to a customer in Mexico that was utilized to pay certain of our outstanding receivables. The notional amount of the CDS will reduce on a monthly basis over its 26-month term. As of June 30, 2024, the fair value of this derivative liability was not material.

FORMS OF HEDGING

Cash Flow Hedges

We use cash flow hedging primarily to mitigate the effects of foreign exchange rate changes on purchase and sale contracts. Accordingly, the vast majority of our derivative activity in this category consists of currency exchange contracts. In addition, we are exposed to interest rate risk fluctuations in connection with long-term debt that we issue from time to time to fund our operations. Changes in the fair value of cash flow hedges are recorded in a separate component of equity (referred to as "Accumulated Other Comprehensive Income" or "AOCI") and are recorded in earnings in the period in which the hedged transaction occurs. See "Note 10. Equity" for further information on activity in AOCI for cash flow hedges. As of June 30, 2024 and December 31, 2023, the maximum term of cash flow hedges that hedge forecasted transactions was approximately one year and two years, respectively.

Fair Value Hedges

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

As of June 30, 2024 and December 31, 2023, we had interest rate swaps with a notional amount of $ 500 million that converted a portion of our $ 1,350 million aggregate principal amount of 3.337% fixed rate Senior Notes due 2027 into a floating rate instrument with an interest rate based on a Secured Overnight Financing Rate index. We concluded that the interest rate swap met the criteria necessary to qualify for hedge accounting, and as such, the changes in this fair value hedge are recorded as gains or losses in interest expense and are equally offset by the gains or losses of the underlying debt instrument, which are also recorded in interest expense.

NOTIONAL AMOUNT OF DERIVATIVES

The notional amount of a derivative is used to determine, along with the other terms of the derivative, the amounts to be exchanged between the counterparties. We disclose the derivative notional amounts on a gross basis to indicate the total counterparty risk but it does not generally represent amounts exchanged by us and the counterparties. A substantial majority of the outstanding notional amount of $4.3 billion and $4.2 billion at June 30, 2024 and December 31, 2023, respectively, is related to hedges of anticipated sales and purchases in foreign currency, commodity purchases, changes in interest rates, and contractual terms in contracts that are considered embedded derivatives and for intercompany borrowings in foreign currencies.

COUNTERPARTY CREDIT RISK

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

NOTE 13. REVENUE RELATED TO CONTRACTS WITH CUSTOMERS

DISAGGREGATED REVENUE

We disaggregate our revenue from contracts with customers by product line for both our OFSE and IET segments, as we believe this best depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors. In addition, management views revenue from contracts with customers for OFSE by geography based on the location to where the product is shipped or the services are performed .

The series of tables below present our revenue disaggregated by these categories.

	Three Months Ended June 30,		Six Months Ended June 30,	
Total Revenue	**2024**	**2023**	**2024**	**2023**
Well Construction	$ 1,090	$ 1,076	$ 2,151	$ 2,137
Completions, Intervention & Measurements	1,118	1,090	2,123	1,999
Production Solutions	958	959	1,903	1,897
Subsea & Surface Pressure Systems	845	752	1,617	1,422
Oilfield Services & Equipment	**4,011**	**3,877**	**7,794**	**7,454**
Gas Technology Equipment	1,539	968	2,749	1,799
Gas Technology Services	691	658	1,305	1,249
Total Gas Technology	2,230	1,626	4,054	3,048
Industrial Products	509	506	971	929
Industrial Solutions	262	242	526	464
Controls [1]	—	1	—	41
Total Industrial Technology	770	749	1,498	1,435
Climate Technology Solutions	128	62	211	93
Industrial & Energy Technology	**3,128**	**2,438**	**5,763**	**4,576**
Total	**$ 7,139**	**$ 6,315**	**$ 13,557**	**$ 12,030**

(1) The sale of our controls business was completed in April 2023.

	Three Months Ended June 30,		Six Months Ended June 30,	
Oilfield Services & Equipment Geographic Revenue	**2024**	**2023**	**2024**	**2023**
North America	$ 1,023	$ 1,042	$ 2,013	$ 2,033
Latin America	663	698	1,300	1,358
Europe/CIS/Sub-Saharan Africa	827	672	1,577	1,253
Middle East/Asia	1,498	1,465	2,903	2,810
Oilfield Services & Equipment	**$ 4,011**	**$ 3,877**	**$ 7,794**	**$ 7,454**

REMAINING PERFORMANCE OBLIGATIONS

As of June 30, 2024, the aggregate amount of the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations was $33.5 billion. As of June 30, 2024, we expect to recognize revenue of approximately 63%, 75% and 91% of the total remaining performance obligations within 2, 5, and 15 years, respectively, and the remaining thereafter. Contract modifications could affect both the timing to complete as well as the amount to be received as we fulfill the related remaining performance obligations.

NOTE 14. SEGMENT INFORMATION

The Company's segments are determined as those operations whose results are reviewed regularly by the chief operating decision maker ("CODM"), who is our Chief Executive Officer, in deciding how to allocate resources and assess performance. We report our operating results through two operating segments, OFSE and IET. Each segment is organized and managed based upon the nature of our markets and customers and consists of similar products and services. These products and services operate across upstream oil and gas and broader energy and industrial markets.

OILFIELD SERVICES & EQUIPMENT

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

INDUSTRIAL & ENERGY TECHNOLOGY

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

Revenue and operating income for each segment are used by the CODM to assess the performance of each segment in a financial period. The performance of our operating segments is evaluated based on segment operating income (loss), which is defined as income (loss) before income taxes before the following: net interest expense, net other non-operating income (loss), corporate expenses, significant restructuring plans, impairment and other charges, inventory impairments, and certain gains and losses not allocated to the operating segments. Accounting policies have been applied consistently by all segments within the Company for all reporting periods. Intercompany revenue and expense amounts have been eliminated within each segment to report on the basis that management uses internally for evaluating segment performance.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
Revenue	**2024**	**2023**	**2024**	**2023**
Oilfield Services & Equipment	$ 4,011	$ 3,877	$ 7,794	$ 7,454
Industrial & Energy Technology	3,128	2,438	5,763	4,576
Total	$ 7,139	$ 6,315	$ 13,557	$ 12,030

	Three Months Ended June 30,		Six Months Ended June 30,	
Income before income taxes	**2024**	**2023**	**2024**	**2023**
Oilfield Services & Equipment	$ 493	$ 417	$ 915	$ 789
Industrial & Energy Technology	442	311	772	552
Total segment	935	728	1,687	1,341
Corporate	(88)	(97)	(180)	(197)
Inventory impairment [(1)]	—	(15)	—	(33)
Restructuring, impairment and other	(14)	(102)	(21)	(158)
Other non-operating income, net	38	158	67	544
Interest expense, net	(47)	(58)	(88)	(122)
Income before income taxes	$ 824	$ 614	$ 1,465	$ 1,374

(1) Charges for inventory impairments are reported in "Cost of goods sold" in the condensed consolidated statements of income (loss).

The following table presents depreciation and amortization:

	Three Months Ended June 30,		Six Months Ended June 30,	
Depreciation and amortization	**2024**	**2023**	**2024**	**2023**
Oilfield Services & Equipment	$ 223	$ 219	$ 445	$ 426
Industrial & Energy Technology	55	52	111	109
Total segment	278	271	556	535
Corporate	6	5	10	10
Total	$ 283	$ 276	$ 566	$ 545

NOTE 15. RELATED PARTY TRANSACTIONS

We have an aeroderivative joint venture ("Aero JV") we formed with General Electric Company ("GE") in 2019. As of June 30, 2024, the Aero JV was jointly controlled by GE Vernova Inc. and us, each with ownership interest of 50%, and therefore, we do not consolidate the Aero JV. As a result of GE's spin-off of GE Vernova Inc., GE has transferred its interest in the Aero JV to GE Vernova Inc. in the second quarter of 2024. We had purchases from the Aero JV of $173 million and $131 million during the three months ended June 30, 2024 and 2023, respectively, and $ 276 million and $245 million during the six months ended June 30, 2024 and 2023, respectively. We have $73 million and $71 million of accounts payable at June 30, 2024 and December 31, 2023, respectively, for products and services provided by the Aero JV in the ordinary course of business.

NOTE 16. COMMITMENTS AND CONTINGENCIES

LITIGATION

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

On July 31, 2018, International Engineering & Construction S.A. ("IEC") initiated arbitration proceedings in New York administered by the International Center for Dispute Resolution ("ICDR") against the Company and its subsidiaries arising out of a series of sales and service contracts entered between IEC and the Company's subsidiaries for the sale and installation of LNG plants and related power generation equipment in Nigeria

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

On or around February 15, 2023, the lead plaintiff and three additional named plaintiffs in a putative securities class action styled The Reckstin Family Trust, et al., v. C3.ai, Inc., et al., No. 4:22-cv-01413-HSG, filed an amended class action complaint (the "Amended Complaint") in the United States District Court for the Northern District of California. The Amended Complaint names the following as defendants: (i) C3.ai., Inc. ("C3 AI"), (ii) certain of C3 AI's current and/or former officers and directors, (iii) certain underwriters for the C3 AI initial public offering (the "IPO"), and (iv) the Company, and its President and CEO (who formerly served as a director on the board of C3 AI). The Amended Complaint alleges violations of the Securities Act of 1933 and the Securities Exchange Act of 1934 (the "Exchange Act") in connection with the IPO and the subsequent period between December 9, 2020 and December 2, 2021, during which BHH LLC held equity investments in C3 AI. The action seeks unspecified damages and the award of costs and expenses, including reasonable attorneys' fees. On February 22, 2024, the Court dismissed the claims against the Company. However, on April 4, 2024, the plaintiffs filed an amended complaint, reasserting their claims against the Company under the Securities Act of 1933 and the Exchange Act. At this time, we are not able to predict the outcome of these proceedings.

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

OTHER

In the normal course of business with customers, vendors and others, we have entered into off-balance sheet arrangements, such as surety bonds for performance, letters of credit and other bank issued guarantees. We also provide a guarantee to GE Vernova Inc. on behalf of a customer who entered into a financing arrangement with GE Vernova Inc. Total off-balance sheet arrangements were approximately $5.3 billion at June 30, 2024. It is not practicable to estimate the fair value of these financial instruments. As of June 30, 2024, none of the off-balance sheet arrangements either has, or is likely to have, a material effect on our financial position, results of operations or cash flows.

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

NOTE 17. RESTRUCTURING, IMPAIRMENT AND OTHER

We recorded restructuring, impairment and other charges of $14 million and $21 million during the three and six months ended June 30, 2024, respectively, and $102 million and $158 million during the three and six months ended June 30, 2023, respectively.

RESTRUCTURING AND IMPAIRMENT CHARGES

We recorded restructuring and impairment charges of $2 million during the three and six months ended June 30, 2024.

The charges during three and six months ended June 30, 2023 primarily relate to employee termination expenses driven by actions taken by the Company to facilitate the reorganization into two segments and corporate restructuring. In addition, under a new plan (the "2023 Plan") we incurred costs related to exit activities at specific locations in our segments to align with our current market outlook and rationalize our manufacturing supply chain footprint. These actions also included inventory impairments of $15 million and $33 million for the three and six months ended June 30, 2023, respectively, recorded in "Cost of goods sold" in our condensed consolidated statements of income (loss).

The following table presents restructuring and impairment charges by the impacted segment:

	Three Months Ended June 30,		Six Months Ended June 30,	
Segments	**2024**	**2023**	**2024**	**2023**
Oilfield Services & Equipment	$ —	$ 26	$ —	$ 41
Industrial & Energy Technology [(1)]	—	52	—	66
Corporate	2	17	2	45
Total	$ 2	$ 96	$ 2	$ 152

(1) For the three and six months ended June 30, 2024, $6 million of additional restructuring charges are included within segment operating income and reported in “Selling, general and administrative” in the condensed consolidated statements of income (loss).

The following table presents the total restructuring and impairment charges by type, and includes gains on the dispositions of certain property, plant and equipment ("PP&E") previously impaired as a consequence of exit activities:

	Three Months Ended June 30,		Six Months Ended June 30,	
Charges by Type	**2024**	**2023**	**2024**	**2023**
Property, plant & equipment, net	$ —	$ (1)	$ —	$ 14
Employee-related termination costs	8	80	8	110
Other incremental costs	—	17	—	28
Total	$ 8	$ 96	$ 8	$ 152

OTHER CHARGES

We recorded other charges of $12 million and $19 million for the three and six months ended June 30, 2024, respectively, and $ 6 million for the three and six months ended June 30, 2023.

NOTE 18. BUSINESS ACQUISITIONS AND DISPOSITIONS

We had no business acquisitions or dispositions during the six months ended June 30, 2024.

ACQUISITIONS

During the first six months of 2023, we completed the acquisition of businesses for total cash consideration of $ 282 million, net of cash acquired, which consisted primarily of the acquisition of Altus Intervention in the OFSE segment in April 2023. Altus Intervention is a leading international provider of well intervention services and downhole technology. The assets acquired and liabilities assumed in these acquisitions were recorded based on preliminary estimates of their fair values as of the acquisition date. As a result of these acquisitions, we recorded $113 million of goodwill and $ 31 million of intangible assets, subject to final fair value adjustments. Pro forma results of operations for these acquisitions have not been presented because the effects of these acquisitions were not material to our consolidated financial statements.

DISPOSITIONS

During the first six months of 2023, we completed the sale of businesses and received total cash consideration of $ 293 million. The dispositions consisted primarily of the sale of our Nexus Controls business in the IET segment to GE in April 2023, which resulted in an immaterial gain. Nexus Controls specializes in scalable industrial controls systems, safety systems, hardware, and software cybersecurity solutions and services.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the condensed consolidated financial statements and the related notes included in Item 1 thereto, as well as our Annual Report on Form 10-K for the year ended December 31, 2023 ("2023 Annual Report").

Baker Hughes Company ("Baker Hughes," "the Company," "we," "us," or "our") is an energy technology company with a broad and diversified portfolio of technologies and services that spans the energy and industrial value chain. We conduct business in more than 120 countries and employ approximately 57,000 employees. We operate through our two business segments: Oilfield Services & Equipment ("OFSE") and Industrial & Energy Technology ("IET"). We sell products and services primarily in the global oil and gas markets, within the upstream, midstream and downstream segments, as well as broader industrial and new energy markets.

EXECUTIVE SUMMARY

Market Conditions

In the second quarter of 2024, we saw strong momentum across the Company with meaningful improvement in our financial results over the second quarter of 2023, including key commercial successes, growth in revenue and expansion of operating margins.

As we look at the second half of 2024, we remain balanced on the oil and gas outlook and continue to see areas of strength across our broad portfolio. We also maintain our expectation for a multiyear upstream spending cycle.

In OFSE, on the back of slowing global demand growth and ongoing economic uncertainty, the recent Organization of the Petroleum Exporting Countries production cut extension, coupled with rising geopolitical risks and firming oil demand in June 2024 have helped to keep global oil markets more balanced. In the remainder of 2024, we expect growth in international markets to be only partially offset by year-over-year decline in activity in North America. Beyond 2024, we maintain our expectation for growth, although at a decelerating pace, led by international and offshore markets, as well as increased focus on optimizing production from existing assets.

In IET, we maintain an optimistic outlook for the development of natural gas and liquefied natural gas ("LNG"). We expect strength in LNG and gas infrastructure to be complemented by continued momentum in new energy and growing opportunities in other addressable end markets. In onshore and offshore production, we are optimistic about international demand for onshore processing and offshore production, storage and offloading. In downstream, we expect positive momentum in refinery conversion to bio-feedstock, and growth in ethylene and ammonia markets. We also expect increased power consumption growth to positively impact demand for turbomachinery and power solutions.

Global geopolitical tensions continue to add to the uncertainty across the oil and gas markets. While there has not been a material impact on our operations, we will continue to monitor and assess these risks. Furthermore, in IET, we will continue to manage the tightness in the aeroderivative supply chain.

Financial Results and Key Company Initiatives

In the second quarter of 2024, the Company generated revenue of $7,139 million, compared to $6,315 million in the second quarter of 2023, increasing $825 million or 13%. The increase in revenue was primarily driven by higher volume in IET on Gas Technology Equipment ("GTE") project backlog execution and to a lesser degree by improved activity in OFSE. Income before tax was $824 million in the second quarter of 2024 compared to $614 million in the second quarter of 2023, increasing $210 million. The increase in income before tax was driven primarily by higher volume and price in both segments and structural cost-out initiatives, partially offset by the decrease of the positive effect from the change in fair value on certain equity securities compared to the second quarter of 2023.

As we continue our transformation, the business has undertaken significant structural changes and we see the operating benefits coming through in the margin performance. We have made progress in our efforts to improve efficiencies and modernize how the business operates, including in our cost-optimization initiatives announced in OFSE earlier this year.

Baker Hughes remains committed to a flexible capital allocation policy that balances returning cash to shareholders and investing in growth opportunities. In the second quarter of 2024, we returned a total of $375 million to shareholders in the form of dividends and share repurchases.

Outlook

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

- OFSE North America activity: North America activity declined during the second quarter, and we now expect relatively stable activity during the second half of 2024.
- OFSE International activity: We expect spending outside of North America to experience solid growth in 2024, as compared to 2023.
- IET LNG projects: We remain optimistic on the LNG market long-term and view natural gas as a transition and destination fuel. We continue to view the long-term economics of the LNG industry as positive.

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

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

Environmental, Social and Governance

We believe we have an important role to play in society as an industry leader and partner. We view the area of environmental, social, and governance as a key lever to transform the performance of our Company and our industry. In January 2019, we made a commitment to reduce Scope 1 and 2 carbon dioxide equivalent emissions from our operations by 50% by 2030 and achieve net zero emissions by 2050. We continue to make progress on emissions reductions, and reported in our 2023 Corporate Sustainability Report a 28.3% reduction in our Scope 1 and 2 carbon dioxide equivalent emissions as compared to our 2019 base year.

BUSINESS ENVIRONMENT

The following discussion and analysis summarizes the significant factors affecting our results of operations, financial condition and liquidity position as of and for the three and six months ended June 30, 2024 and 2023, and should be read in conjunction with the condensed consolidated financial statements and related notes of the Company.

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

Oil and Natural Gas Prices

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Brent oil price ($/Bbl) [1]	$ 84.68	$ 77.99	$ 83.79	$ 79.58
WTI oil price ($/Bbl) [2]	81.81	73.54	79.69	74.73
Natural gas price ($/mmBtu) [3]	2.07	2.16	2.11	2.40

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

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

(3) EIA Henry Hub Natural Gas Spot Price per million British Thermal Unit

Outside North America, customer spending is influenced by Brent oil prices, which increased from the same quarter last year, ranging from a high of $93.12/Bbl in April 2024 to a low of $75.33/Bbl in June 2024. For the six months ended June 30, 2024, Brent oil prices averaged $83.79/Bbl, which represented an increase of $4.21/Bbl from the same period last year.

In North America, customer spending is influenced by WTI oil prices, which increased from the same quarter last year. Overall, WTI oil prices ranged from a high of $87.69/Bbl in April 2024 to a low of $74.27/Bbl in June 2024. For the six months ended June 30, 2024, WTI oil prices averaged $79.69/Bbl, which represented an increase of $4.96/Bbl from the same period last year.

In North America, natural gas prices, as measured by the Henry Hub Natural Gas Spot Price, averaged $2.07/mmBtu in the second quarter of 2024, representing a 4% decrease from the same quarter in the prior year. Throughout the quarter, Henry Hub Natural Gas Spot Prices ranged from a high of $2.80/mmBtu in June 2024 to a low of $1.36/mmBtu in April 2024.

Baker Hughes Rig Count

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

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

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

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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
North America	738	836	(12) %	785	909	(14) %
International	963	960	— %	964	938	3 %
Worldwide	1,701	1,796	(5) %	1,749	1,847	(5) %

The worldwide rig count was 1,701 for the second quarter of 2024, a decrease of 5% as compared to the same period last year primarily due to a decrease in North America. Within North America, the decrease was primarily driven by the U.S. rig count, which was down 16% when compared to the same period last year, partially offset by an increase in the Canada rig count, which was up 16% when compared to the same period last year. Internationally, the rig count was flat when compared to the same period last year.

The worldwide rig count was 1,749 for the six months ended June 30, 2024, a decrease of 5% as compared to the same period last year primarily due to a decrease in North America. Within North America, the decrease was driven by the U.S. rig count, which was down 17% when compared to the same period last year. Internationally, the rig count increase was driven by an increase in the Africa, Asia-Pacific, Middle East, and Europe regions of 16%, 5%, 5%, and 3%, respectively.

RESULTS OF OPERATIONS

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

Our condensed consolidated statements of income (loss) displays sales and costs of sales in accordance with the Securities and Exchange Commission ("SEC") regulations under which "goods" is required to include all sales of tangible products and "services" must include all other sales, including other service activities. For the amounts shown below, we distinguish between "equipment" and "product services," where product services refer to sales under product services agreements, including sales of both goods (such as spare parts and equipment upgrades) and related services (such as monitoring, maintenance and repairs), which is an important part of our operations. We refer to "product services" simply as "services" within the Business Environment section of Management's Discussion and Analysis.

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

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

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

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

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

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

Orders and Remaining Performance Obligations

Orders: We recognized orders of $7.5 billion for the three months ended June 30, 2024 and 2023.

We recognized OFSE orders of $4.0 billion and $4.2 billion, and IET orders of $3.5 billion and $3.3 billion for the three months ended June 30, 2024 and 2023, respectively. Within IET, Gas Technology orders were $2.3 billion and $2.3 billion, Industrial Technology orders were $0.8 billion and $0.8 billion, and Climate Technology Solutions ("CTS") orders were $0.4 billion and $0.2 billion, for the three months ended June 30, 2024 and 2023, respectively. References to total new energy orders incorporates CTS in IET of $0.4 billion.

We recognized orders of $14.1 billion and $15.1 billion for the six months ended June 30, 2024 and 2023, respectively.

We recognized OFSE orders of $7.7 billion and $8.3 billion, and IET orders of $6.4 billion and $6.8 billion for the six months ended June 30, 2024 and 2023, respectively. Within IET, Gas Technology orders were $4.2 billion and $4.7 billion, Industrial Technology orders were $1.6 billion and $1.7 billion, and CTS orders were $0.6 billion and $0.4 billion, for the six months ended June 30, 2024 and 2023, respectively. References to total new energy orders incorporates CTS in IET of $0.6 billion.

Remaining Performance Obligations ("RPO"): As of June 30, 2024, the aggregate amount of the transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations was $33.5 billion. As of June 30, 2024, OFSE remaining performance obligations totaled $3.3 billion, and IET remaining performance obligations totaled $30.2 billion.

Revenue and Operating Income

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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	$ Change	2024	2023	$ Change
Revenue:						
Well Construction	$ 1,090	$ 1,076	$ 14	$ 2,151	$ 2,137	$ 14
Completions, Intervention & Measurements	1,118	1,090	27	2,123	1,999	124
Production Solutions	958	959	—	1,903	1,897	7
Subsea & Surface Pressure Systems	845	752	94	1,617	1,422	195
Oilfield Services & Equipment	**4,011**	**3,877**	**134**	**7,794**	**7,454**	**340**
Gas Technology Equipment	1,539	968	571	2,749	1,799	950
Gas Technology Services	691	658	33	1,305	1,249	56
Total Gas Technology	2,230	1,626	604	4,054	3,048	1,006
Industrial Products	509	506	3	971	929	42
Industrial Solutions	262	242	20	526	464	62
Controls [1]	—	1	(1)	—	41	(41)
Total Industrial Technology	770	749	21	1,498	1,435	63
Climate Technology Solutions	128	62	66	211	93	118
Industrial & Energy Technology	**3,128**	**2,438**	**691**	**5,763**	**4,576**	**1,187**
Total	**$ 7,139**	**$ 6,315**	**$ 825**	**$ 13,557**	**$ 12,030**	**$ 1,527**

(1) The sale of our controls business was completed in April 2023.

The following table presents OFSE revenue by geographic region:

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	$ Change	2024	2023	$ Change
North America	$ 1,023	$ 1,042	$ (18)	$ 2,013	$ 2,033	$ (20)
Latin America	663	698	(35)	1,300	1,358	(58)
Europe/CIS/Sub-Saharan Africa	827	672	154	1,577	1,253	324
Middle East/Asia	1,498	1,465	33	2,903	2,810	94
Oilfield Services & Equipment	**$ 4,011**	**$ 3,877**	**$ 134**	**$ 7,794**	**$ 7,454**	**$ 340**
North America	$ 1,023	$ 1,042	$ (18)	$ 2,013	$ 2,033	$ (20)
International	2,988	2,835	152	5,781	5,421	360

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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	**2023**	**$ Change**	**2024**	**2023**	**$ Change**
Segment operating income:						
Oilfield Services & Equipment	$ 493	$ 417	$ 76	$ 915	$ 789	$ 126
Industrial & Energy Technology	442	311	131	772	552	220
Total segment operating income	935	728	207	1,687	1,341	346
Corporate	(88)	(97)	9	(180)	(197)	17
Inventory impairment [1]	—	(15)	15	—	(33)	33
Restructuring, impairment and other	(14)	(102)	88	(21)	(158)	138
Operating income	833	514	319	1,486	952	534
Other non-operating income, net	38	158	(120)	67	544	(477)
Interest expense, net	(47)	(58)	11	(88)	(122)	34
Income before income taxes	824	614	210	1,465	1,374	91
Provision for income taxes	(243)	(200)	(43)	(421)	(379)	(42)
Net income	**$ 581**	**$ 414**	**$ 167**	**$ 1,044**	**$ 995**	**$ 49**

(1) Charges for inventory impairments are reported in "Cost of goods sold" in the condensed consolidated statements of income (loss).

Segment Revenues and Segment Operating Income

Second Quarter of 2024 Compared to the Second Quarter of 2023

Revenue increased $825 million, or 13%, driven by increased activity across both segments. OFSE increased $134 million and IET increased $691 million. Total segment operating income increased $207 million, driven by both segments.

Oilfield Services & Equipment

OFSE revenue of $4,011 million increased $134 million, or 3%, in the second quarter of 2024 compared to the second quarter of 2023, driven by an increased execution in Subsea & Surface Pressure Systems ("SSPS"). International revenue was $2,988 million in the second quarter of 2024, an increase of $152 million from the second quarter of 2023, primarily driven by the Europe/CIS/Sub-Saharan Africa and Middle East/Asia regions, partially offset by the Latin America region. North America revenue was $1,023 million in the second quarter of 2024, a decrease of $18 million from the second quarter of 2023.

OFSE segment operating income was $493 million in the second quarter of 2024 compared to $417 million in the second quarter of 2023. The increase in operating income was primarily driven by higher volume, price, and cost-out initiatives partially offset by unfavorable business mix and inflationary pressure.

Industrial & Energy Technology

IET revenue of $3,128 million increased $691 million, or 28%, in the second quarter of 2024 compared to the second quarter of 2023. The increase was primarily driven by higher volume in GTE and, to a lesser extent, in CTS, Industrial Technology and Gas Technology Services ("GTS").

IET segment operating income was $442 million in the second quarter of 2024 compared to $311 million in the second quarter of 2023. The operating income performance in the second quarter of 2024 was driven by higher volume, price and cost-out initiatives, partially offset by unfavorable business mix and inflationary pressure.

Corporate

In the second quarter of 2024, corporate expenses were $88 million compared to $97 million in the second quarter of 2023 . The decrease of $9 million was driven by savings related to our corporate optimization process.

Inventory Impairment

In the second quarter of 2023, we recorded inventory impairments of $15 million predominately in our OFSE segment. Charges for inventory impairments are reported in "Cost of goods sold" in the condensed consolidated statements of income (loss).

Restructuring, Impairment and Other

In the second quarter of 2024, we recognized $14 million of restructuring, impairment, and other charges, compared to $102 million in the second quarter of 2023. The charges in the second quarter of 2023 primarily relate to employee termination expenses driven by actions taken to facilitate our reorganization into two segments and to optimize our corporate structure. In addition, costs were incurred related to exit activities at specific locations in our segments to align with our current market outlook and to rationalize our manufacturing supply chain footprint.

Other Non-Operating Income, Net

In the second quarter of 2024, we recorded $38 million of other non-operating income. Included in this amount was a net gain of $19 million from the change in fair value for certain equity investments. In the second quarter of 2023, we recorded $158 million of other non-operating income. Included in this amount was a net gain of $148 million from the change in fair value for certain equity investments.

Interest Expense, Net

In the second quarter of 2024, we incurred net interest expense of $47 million, which includes interest income of $26 million. Net interest expense decreased $11 million compared to the second quarter of 2023, primarily driven by higher interest income.

Income Taxes

In the second quarter of 2024, the provision for income taxes was $243 million. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to income in jurisdictions with tax rates higher than in the U.S. and losses with no tax benefit due to valuation allowances, partially offset by income subject to U.S. tax at an effective rate less than 21% due to valuation allowances.

In the second quarter of 2023, the provision for income taxes was $200 million. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to income in jurisdictions with tax rates higher than in the U.S., which is partially offset by tax benefits related to uncertain tax positions.

In 2021, as part of the Organization for Economic Co-operation and Development's ("OECD") Inclusive Framework, 140 member countries agreed to the implementation of the Pillar Two Global Minimum Tax ("Pillar Two") of 15%. The OECD continues to release additional guidance, including administrative guidance on how Pillar Two rules should be interpreted and applied by jurisdictions as they adopt Pillar Two. A number of countries have utilized the administrative guidance as a starting point for legislation that went into effect January 1, 2024. Based on current enacted legislation, Baker Hughes estimates the impact of Pillar Two to be immaterial to the Company for 2024.

The First Six Months of 2024 Compared to the First Six Months of 2023

Revenue increased $1,527 million, or 13%, driven by increased activity across both segments. OFSE increased $340 million and IET increased $1,187 million. Total segment operating income increased $346 million, driven by both segments.

Oilfield Services & Equipment

OFSE revenue of $7,794 million increased $340 million, or 5%, in the first six months of 2024 compared to the first six months of 2023, as a result of SSPS project execution and increase in international activity, partially offset by North America activity. International revenue was $5,781 million in the first six months of 2024, an increase of $360 million from the first six months of 2023, primarily driven by the Europe/CIS/Sub-Saharan Africa and Middle East/Asia regions, partially offset by the Latin America region. North America revenue was $2,013 million in the first six months of 2024, a decrease of $20 million from the first six months of 2023.

OFSE segment operating income was $915 million in the first six months of 2024 compared to $789 million in the first six months of 2023. The increase in operating income was primarily driven by higher volume, price, and cost-out initiatives partially offset by unfavorable business mix and inflationary pressure.

Industrial & Energy Technology

IET revenue of $5,763 million increased $1,187 million, or 26%, in the first six months of 2024 compared to the first six months of 2023. The increase was primarily driven by higher volume in GTE and, to a lesser extent, in CTS, Industrial Technology and GTS.

IET segment operating income was $772 million in the first six months of 2024 compared to $552 million in the first six months of 2023. The operating income performance in the first six months of 2024 was driven by higher volume, price and cost-out initiatives, partially offset by unfavorable business mix and inflationary pressure.

Corporate

In the first six months of 2024, corporate expenses were $180 million compared to $197 million in the first six months of 2023. The decrease of $17 million was driven by savings related to our corporate optimization process.

Inventory Impairment

In the first six months of 2023, we recorded inventory impairments of $33 million, predominately in the OFSE segment related to exit activities at specific locations. Charges for inventory impairments are reported in "Cost of goods sold" in the condensed consolidated statements of income (loss).

Restructuring, Impairment and Other

In the first six months of 2024, we recognized $21 million of restructuring, impairment, and other charges, compared to $158 million in the first six months of 2023. The charges in the first six months of 2023 primarily relate to employee termination expenses driven by actions taken to facilitate the reorganization into two segments and to optimize our corporate structure. In addition, costs were incurred related to exit activities at specific locations in our segments to align with our current market outlook and to rationalize our manufacturing supply chain footprint.

Other Non-Operating Income, Net

In the first six months of 2024, we recorded $67 million of other non-operating income. Included in this amount was a gain of $71 million from the change in fair value for certain equity investments. For the first six months of 2023, we recorded $544 million of other non-operating income. Included in this amount was a gain of $540 million from the change in fair value for certain equity investments.

Interest Expense, Net

In the first six months of 2024, we incurred net interest expense of $88 million, which includes interest income of $56 million. Net interest expense decreased $34 million compared to the first six months of 2023, primarily driven by higher interest income.

Income Taxes

In the first six months of 2024, the provision for income taxes was $421 million. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to income in jurisdictions with tax rates higher than in the U.S. and losses with no tax benefit due to valuation allowances, partially offset by income subject to U.S. tax at an effective rate less than 21% due to valuation allowances.

In the first six months of 2023, the provision for income taxes was $379 million. The difference between the U.S. statutory tax rate of 21% and the effective tax rate is primarily related to income in jurisdictions with tax rates higher than in the U.S., which is partially offset by tax benefits related to uncertain tax positions. Further, the tax rate is also partially reduced by income subject to U.S. tax at an effective rate less than 21% due to valuation allowances.

LIQUIDITY AND CAPITAL RESOURCES

Our objective in financing our business is to maintain sufficient liquidity, adequate financial resources and financial flexibility in order to fund the requirements of our business. We continue to maintain solid financial strength and liquidity. At June 30, 2024, we had cash and cash equivalents of $2.3 billion compared to $2.6 billion at December 31, 2023.

In the U.S. we held cash and cash equivalents of approximately $0.6 billion and $0.6 billion and outside the U.S. of approximately $1.7 billion and $2.0 billion as of June 30, 2024 and December 31, 2023, respectively. A substantial portion of the cash held outside the U.S. at June 30, 2024 has been reinvested in active non-U.S. business operations. If we decide at a later date to repatriate certain cash to the U.S., we may incur other additional taxes that would not be significant to the total tax provision.

As of June 30, 2024 and December 31, 2023, we had $683 million and $637 million, respectively, of cash held in countries with currency controls that limit the flow of cash out of the jurisdiction or limit our ability to transfer funds without potentially incurring substantial costs. These funds are available to fund operations and growth in their respective jurisdictions, and we do not currently anticipate a need to transfer these funds to the U.S.

We have a $3.0 billion committed unsecured revolving credit facility ("the Credit Agreement") with commercial banks maturing in November 2028. The Credit Agreement contains certain representations and warranties, certain affirmative covenants and negative covenants, in each case we consider customary. No related events of default have occurred. The Credit Agreement is fully and unconditionally guaranteed on a senior unsecured basis by Baker Hughes. At June 30, 2024 and December 31, 2023, there were no borrowings under the Credit Agreement.

Certain Senior Notes contain covenants that restrict our ability to take certain actions. See "Note 8. Debt" of the Notes to Unaudited Condensed Consolidated Financial Statements in this Quarterly Report for further details. At June 30, 2024, we were in compliance with all debt covenants. Our next debt maturity is December 2026.

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

During the six months ended June 30, 2024, we dispersed cash to fund a variety of activities including certain working capital needs, capital expenditures, the payment of dividends, and repurchases of our common stock.

Cash Flows

Cash flows provided by (used in) each type of activity were as follows for the six months ended June 30:

(In millions)	2024	2023
Operating activities	$ 1,132	$ 1,320
Investing activities	(530)	(414)
Financing activities	(929)	(550)

Operating Activities

Cash flows from operating activities generated cash of $1,132 million and $1,320 million for the six months ended June 30, 2024 and 2023, respectively.

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

For the six months ended June 30, 2024, cash generated from operating activities were primarily driven by net income adjusted for certain noncash items (including depreciation, amortization, gain on equity securities, stock-based compensation cost, and deferred tax provision). Net working capital cash usage was $36 million for the six months ended June 30, 2024, mainly due to an increase in inventory and contract assets as we continue to build for growth, partially offset by accounts payable. Included in the cash flows from operating activities for the six months ended June 30, 2024 are payments of $130 million made primarily for employee severance as a result of our restructuring activities.

For the six months ended June 30, 2023, cash generated from operating activities were primarily driven by net income adjusted for certain noncash items (including depreciation, amortization, gain on equity securities, stock-based compensation cost, deferred tax provision, and the impairment of certain assets). Net working capital cash generation was $176 million for the six months ended June 30, 2023, mainly due to strong progress collections on equipment contracts, partially offset by an increase in receivables and inventory as we build for growth.

Investing Activities

Cash flows from investing activities used cash of $530 million and $414 million for the six months ended June 30, 2024 and 2023, respectively.

Our principal recurring investing activity is the funding of capital expenditures including property, plant and equipment ("PP&E") and software, to support and generate revenue from operations. Expenditures for capital assets were $625 million and $587 million for the six months ended June 30, 2024 and 2023, respectively, partially offset by cash flows from the disposal of PP&E of $101 million and $87 million for the six months ended June 30, 2024 and 2023, respectively. Proceeds from the disposal of assets are primarily related to equipment that was lost-in-hole, predominantly in OFSE, and PP&E no longer used in operations that was sold throughout the period.

During the six months ended June 30, 2023, we completed the acquisition of businesses for total cash consideration of $282 million, net of cash acquired, which consisted primarily of the acquisition of Altus Intervention in the OFSE segment. We also completed the sale of businesses and received total cash consideration of $293 million, which consisted primarily of the sale of our Nexus Controls business in the IET segment.

Financing Activities

Cash flows from financing activities used cash of $929 million and $550 million for the six months ended June 30, 2024 and 2023, respectively.

During the six months ended June 30, 2024, we repaid long-term debt of $125 million primarily related to debentures that matured in June. We increased our quarterly dividend during the six months ended June 30, 2024 by one cent to $0.21 per share. We paid dividends of $419 million and $384 million to our Class A shareholders during the six months ended June 30, 2024 and 2023, respectively.

We repurchased and canceled 10.5 million shares of Class A common stock for a total of $324 million during the six months ended June 30, 2024. During the six months ended June 30, 2023, we repurchased and canceled 3.6 million shares of Class A common stock for a total of $99 million.

Cash Requirements

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

Our capital expenditures can be adjusted and managed by us to match market demand and activity levels. We continue to believe that based on current market conditions, capital expenditures in 2024 are expected to be made at a rate that would equal up to 5% of annual revenue. The expenditures are expected to be used primarily for normal, recurring items necessary to support our business.

We currently anticipate making income tax payments in the range of $900 million to $950 million in 2024.

Other Factors Affecting Liquidity

Customer receivables: In line with industry practice, we may bill our customers for services provided in arrears dependent upon contractual terms. In a challenging economic environment, we may experience delays in the payment of our invoices due to customers' lower cash flow from operations or their more limited access to credit markets. While historically there have not been material non-payment events, we attempt to mitigate this risk through working with our customers to restructure their debts. A customer's failure or delay in payment could have a material adverse effect on our short-term liquidity and results of operations. Our gross customer receivables in the U.S. were 17% and in Mexico 10% as of June 30, 2024. No other country accounted for more than 10% of our gross customer receivables at this date.

International operations: Our cash that is held outside the U.S. is 75% of the total cash balance as of June 30, 2024. Depending on the jurisdiction or country where this cash is held, we may not be able to use this cash quickly and efficiently due to exchange or cash controls that could make it challenging. As a result, our cash balance may not represent our ability to quickly and efficiently use this cash.

Guarantor Information

Baker Hughes has senior unsecured notes and senior unsecured debentures (collectively the "Debt Securities") outstanding with an aggregate principal amount of $5.8 billion as of June 30, 2024, with maturities ranging from 2024 to 2047. The Debt Securities constitute debt obligations of Baker Hughes Holdings LLC ("BHH LLC"), an indirect, 100% owned subsidiary and the primary operating company of Baker Hughes, and Baker Hughes Co-Obligor, Inc, a 100%-owned finance subsidiary of BHH LLC (the "Issuers") that was incorporated for the sole purpose of serving as a corporate co-obligor of debt securities. The Debt Securities are fully and unconditionally guaranteed on a senior unsecured basis by Baker Hughes and rank equally in right of payment with all of the Company's other senior and unsecured debt obligations.

As permitted under Rule 13-01(a)(4)(vi) of Regulation S-X, we have excluded summarized financial information for the Issuers because the combined assets, liabilities, and results of operations of the Issuers are not materially different than the corresponding amounts in Baker Hughes Company's condensed consolidated financial statements and management believes such summarized financial information would be repetitive and would not provide incremental value to investors.

CRITICAL ACCOUNTING ESTIMATES

Our critical accounting estimation processes are consistent with those described in Item 7 of Part II, "Management's discussion and analysis of financial condition and results of operations" of our 2023 Annual Report.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended, (each a "forward-looking statement"). All statements, other than historical facts, including statements regarding the presentation of the Company's operations in future reports and any assumptions underlying any of the foregoing, are forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words "may," "will," "should," "potential," "intend," "expect," "would," "seek," "anticipate," "estimate," "overestimate," "underestimate," "believe," "could," "project," "predict," "continue," "target," "goal" or other similar words or expressions. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others, the risk factors identified in the "Risk Factors" section of Part II of Item 1A of this report and Part 1 of Item 1A of our 2023 Annual Report and those set forth from time-to-time in other filings by the Company with the SEC. These documents are available through our website or through the SEC's Electronic Data Gathering and Analysis Retrieval (EDGAR) system at http://www.sec.gov.

Any forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. The Company does not undertake any obligation to update any forward-looking statements, whether as a result of new information or developments, future events or otherwise, except as required by law. Readers are cautioned not to place undue reliance on any of these forward-looking statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

For quantitative and qualitative disclosures about market risk affecting us, see Item 7A. "Quantitative and Qualitative Disclosures about Market Risk," in our 2023 Annual Report. Our exposure to market risk has not changed materially since December 31, 2023.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

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

There has been no change in our internal controls over financial reporting during the quarter ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

See discussion of legal proceedings in "Note 16. Commitments and Contingencies" of the Notes to Unaudited Condensed Consolidated Financial Statements in this Quarterly Report, Item 3 of Part I of our 2023 Annual Report and Note 19 of the Notes to Consolidated Financial Statements included in Item 8 of our 2023 Annual Report.

ITEM 1A. RISK FACTORS

As of the date of this filing, the Company and its operations continue to be subject to the risk factors previously discussed in the "Risk Factors" sections contained in the 2023 Annual Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table contains information about our purchases of our Class A common stock equity securities during the three months ended June 30, 2024.

Period	Total Number of Shares Purchased [1]	Average Price Paid Per Share [2]	Total Number of Shares Purchased as Part of a Publicly Announced Program [3][4]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program [3][4]
April 1-30, 2024	7,577	$ 33.40	—	$ 2,059,105,097
May 1-31, 2024	3,469,876	$ 32.43	3,447,894	$ 1,947,286,129
June 1-30, 2024	1,702,932	$ 31.72	1,691,680	$ 1,893,645,541
Total	5,180,385	$ 32.20	5,139,574	

(1) Represents Class A common stock purchased from employees to satisfy the tax withholding obligations primarily in connection with the vesting of restricted stock units.

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

(3) On July 30, 2021, our Board of Directors authorized the Company to repurchase up to $2 billion of its Class A common stock. On October 27, 2022, our Board of Directors authorized an increase to our repurchase program of $2 billion of additional Class A common stock, increasing its existing repurchase authorization of $2 billion to $4 billion. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date.

(4) During the three months ended June 30, 2024, we repurchased 5.1 million shares of Class A common stock at an average price of $32.19 per share for a total of $166 million.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

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

ITEM 5. OTHER INFORMATION

Rule 10b5-1 and Non-Rule 10b5-1 Trading Arrangements

During the three months ended June 30, 2024, certain of our officers or directors listed below adopted or terminated trading arrangements for the sale of shares of our Class A common stock in amounts and prices determined in accordance with a formula set forth in each such plan:

Name and Title	Action	Date	Plans: Rule 10b5-1 (1)	Plans: Non-Rule 10b5-1 (2)	Number of Shares to be Sold	Expiration
Nancy Buese, Executive Vice President and Chief Financial Officer	Adoption	April 26, 2024	X		25,000	Earlier of when all shares under plan are sold and December 15, 2025

(1) Intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)

(2) Not intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)

ITEM 6. EXHIBITS

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

3.1*	Fourth Amended and Restated Artic les of Incorporation of Baker Hughes Company dated May 14, 2024 .
10.1+*	Baker Hughes Company Non-Employee Director Deferral Plan as Amended and Restated.
10.2+*	Baker Hughes Company Form of Director Deferred Stock Unit Award Agreement dated May 2024.
31.1*	Certification of Lorenzo Simonelli, President and Chief Executive Officer, pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
31.2*	Certification of Nancy Buese, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended.
32**	Certification of Lorenzo Simonelli, President and Chief Executive Officer, and Nancy Buese, Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended.
95*	Mine Safety Disclosure.
101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	XBRL Schema Document
101.CAL*	XBRL Calculation Linkbase Document
101.DEF*	XBRL Definition Linkbase Document
101.LAB*	XBRL Label Linkbase Document
101.PRE*	XBRL Presentation Linkbase Document
104*	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Baker Hughes Company
(Registrant)

Date:	July 26, 2024	By:	/s/ NANCY BUESE
			Nancy Buese
			Executive Vice President and Chief Financial Officer
Date:	July 26, 2024	By:	/s/ REBECCA CHARLTON
			Rebecca Charlton
			Senior Vice President, Controller and Chief Accounting Officer

Exhibit 3.1

FOURTH AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

BAKER HUGHES COMPANY

(the certificate of incorporation was originally filed on October 28, 2016 under the name Bear NewCo, Inc.)

ARTICLE I
NAME

The name of the corporation is Baker Hughes Company (hereinafter called the " Corporation").

ARTICLE II
REGISTERED OFFICE AND AGENT

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware (the "DGCL").

ARTICLE IV
CAPITAL STOCK

(A) Classes of Stock. The total number of shares of all classes of capital stock that the Corporation is authorized to issue is 2,050,000,000 shares, which shall be divided into two classes of stock designated as follows:

1. 2,000,000,000 shares of Class A common stock, $0.0001 par value per share (" Common Stock"); and

2. 50,000,000 shares of undesignated preferred stock, $0.0001 par value per share (" Preferred Stock").

(B) Subject to the rights of the holders of any series of Preferred Stock, the number of authorized shares of either the Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the issued and outstanding shares of capital stock of the Corporation entitled to vote thereon irrespective of the provisions of Section 242(b)(2) of the DGCL (or any successor provision thereto), and no vote of the holders of either the Common Stock or Preferred Stock voting separately as a class shall be required therefor.

(C) Common Stock. The powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations and restrictions thereof, of the Common Stock, are as follows:

1. Ranking. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by such rights of the holders of any series of Preferred Stock as may be designated by the Board of Directors of the Corporation (the "Board") upon any issuance of any series of Preferred Stock.

2. Voting.

(a) Each outstanding share of Common Stock shall entitle the holder thereof to one vote on each matter properly submitted to the stockholders of the Corporation for their vote, except as otherwise provided in section (C)(2)(b) of this Article IV.

(b) Except as otherwise provided by law or by the resolution or resolutions providing for the issue of any series of Preferred Stock, the holders of outstanding shares of Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes. Notwithstanding any other provision of this Fourth Amended and Restated Certificate of Incorporation (as the same may be further amended and/or restated from time to time, including the terms of any Preferred Stock Designation (as defined below), this "Certificate of Incorporation") to the contrary, the holders of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation (including any Preferred Stock Designation) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation (including any Preferred Stock Designation) or the DGCL.

3. Dividends. Subject to the rights of the holders of any series of Preferred Stock, the holders of Common Stock shall be entitled to receive such dividends and other distributions in cash, stock or property of the Corporation when, as and if declared thereon by the Board from time to time out of assets or funds of the Corporation legally available therefor.

4. Liquidation. Subject to the rights of the holders of any series of Preferred Stock, the holders of Common Stock shall be entitled to receive the assets and funds of the Corporation available for distribution to stockholders in the event of any liquidation, dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary. A liquidation, dissolution or winding up of the affairs of the Corporation, as such terms are used in this section (C)(4), shall not be deemed to be occasioned by, or to include, any consolidation or merger of the Corporation with or into any other person or a sale, lease, exchange or conveyance of all or a part of its assets.

(D) Preferred Stock. Shares of Preferred Stock may be issued from time to time in one or more series. The Board is hereby authorized to provide by resolution or resolutions from time to time for the issuance, out of the unissued shares of Preferred Stock, of one or more series of Preferred Stock by filing a certificate of designation pursuant to the DGCL (a "Preferred Stock Designation"), setting forth such resolution or resolutions and, with respect to each such series, establishing the number of shares to be included in such series, and fixing the voting powers, full or limited, or no voting power of the shares of such series, and the designation, preferences and relative, participating, optional or other special rights, and the qualifications, limitations, or restrictions thereof, if any, of the shares of each such series. The powers, designation, preferences and relative, participating, optional and other special rights, and the qualifications, limitations and restrictions thereof, if any, of each series of Preferred Stock may differ from those of any and all other series at any time outstanding. The authority of the Board with respect to each series of Preferred Stock shall include, but not be limited to, the determination of the following:

1. the designation of the series, which may be by distinguishing name, number, letter or title;

2. the number of shares of the series, which number the Board may thereafter (except where otherwise provided in the Preferred Stock Designation) increase or decrease (but not below the number of shares thereof then outstanding);

3. the rights in respect of any dividends (or methods of determining the dividends), if any, payable to the holders of the shares of such series, any conditions upon which such dividends shall be paid, the amounts or rates at which dividends, if any, will be payable on, and the preferences, if any, of shares of such series in respect of dividends, whether such dividends, if any, shall be cumulative or noncumulative and the date or dates upon which such dividends shall be payable;

4. the redemption rights and price or prices, if any, for shares of the series, the form of payment of such price or prices (which may be cash, property or rights, including securities of the Corporation or another corporation or entity) for which, the period or periods within which and the other terms and conditions upon which the shares of such series may be redeemed, in whole or in part, at the option of the Corporation or at the option of the holder or holders thereof or upon the happening of a specified event or events, if any, including the obligation, if any, of the Corporation to purchase or redeem shares of such series pursuant to a sinking fund or otherwise;

5. the amounts payable out of the assets of the Corporation on, and the preferences, if any, of, shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

6. whether the shares of the series shall be convertible into or exchangeable for, shares of any other class or series, or any other security, of the Corporation or any other corporation, and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made;

7. any restrictions on the issuance of shares of the same series or any other class or series;

8. the voting rights, if any, of the holders of shares of the series generally or upon specified events; and

9. any other powers, preferences and relative, participating, optional or other special rights, and the qualifications, limitations and restrictions thereof, if any, of each series of Preferred Stock, all as may be determined from time to time by the Board and stated in the resolution or resolutions providing for the issuance of such series of Preferred Stock.

Without limiting the generality of the foregoing, the resolutions providing for issuance of any series of Preferred Stock may provide that such series shall be superior to, rank equally with or be junior to any other series of Preferred Stock to the extent permitted by law.

ARTICLE V
MANAGEMENT

This Article V is inserted for the management of the business and for the conduct of the affairs of the Corporation.

(A) General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board, except as otherwise provided by law.

(B) Number of Directors. Subject to the rights of holders of any series of Preferred Stock to elect additional directors, the number of directors of the Corporation shall be fixed from time to time by resolution of the Board.

(C) Terms of Office. Subject to the rights of holders of any series of Preferred Stock to elect directors, each director shall serve for a term of one (1) year, ending on the date of the next annual meeting of stockholders following the annual meeting of stockholders at which such director was elected; provided, that the term of each such director shall continue until the election and qualification of his or her successor, subject to his or her earlier death, resignation, disqualification or removal.

(D) Vacancies. Subject to the rights of holders of any series of Preferred Stock to elect directors, any newly created directorship that results from an increase in the number of directors, or any vacancy on the Board that results from the death, resignation, disqualification or removal of any director or from any other cause, shall be filled solely by the affirmative vote of a majority of the total number of directors then in office, even if less than a quorum, or by a sole remaining director, and shall not be filled by the stockholders. Any director elected to fill a vacancy shall hold office for the remaining term of his or her predecessor and until the election and qualification of his or her successor, subject to his or her earlier death, resignation, disqualification or removal.

(E) Removal. Subject to the rights of the holders of any series of Preferred Stock, any director or the entire Board may be removed from office at any time with or without cause by the affirmative vote of the holders of a majority of the voting power of the issued and outstanding shares of capital stock entitled to vote thereon.

(F) Committees. Pursuant to the Bylaws, the Board may establish one or more committees to which may be delegated any or all of the powers and duties of the Board to the full extent permitted by law.

ARTICLE VI
ELECTION OF DIRECTORS

Unless and except to the extent that the Bylaws shall so require, the election of directors of the Corporation need not be by written ballot.

ARTICLE VII
EXCULPATION AND INDEMNIFICATION OF DIRECTORS AND OFFICERS

(A) Limited Liability. To the fullest extent permitted by the DGCL as the same exists or may hereafter be amended, a director or officer of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer, as applicable. No repeal or modification of this Article VII shall apply to or have any adverse effect on any right or protection of, or any limitation of the liability of, a director or officer of the Corporation existing at the time of such repeal or modification with respect to acts or omissions occurring prior to such repeal or modification.

(B) Right to Indemnification. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation, or has or had agreed to become a director or officer of the Corporation, or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a limited liability company, partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in section (D) of this Article VII, the Corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board.

(C) Prepayment of Expenses. The Corporation shall, to the fullest extent not prohibited by applicable law, as the same exists or may hereafter be amended, pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by or on behalf of the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VII or otherwise.

(D) Claims. If a claim for indemnification (following the final disposition of such proceeding) or advancement of expenses under this Article VII is not paid in full within thirty (30) days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense (including attorney's fees) of prosecuting such claim. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

(E) Nonexclusivity of Rights. The rights conferred on any Covered Person by this Article VII shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, provision of this Certificate of Incorporation, the Bylaws, any agreement, or pursuant to any vote of stockholders or disinterested directors or otherwise.

(F) Amendment or Repeal. Any repeal or modification of the foregoing provisions of this Article VII shall not adversely affect any right or protection hereunder of any Covered Person in respect of any act or omission occurring prior to the time of such repeal or modification.

(G) Other Indemnification and Prepayment of Expenses. This Article VII shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

(H) Priority of Corporation Obligations. In the event that a Covered Person has rights of indemnification or advancement of expenses from any Person (an "Other Indemnitor") other than the Corporation or an Affiliate of the Corporation in respect of a proceeding and also has rights of indemnification or advancement of expenses from the Corporation under this Article VII, the Corporation shall be primarily liable for indemnification and advancement of expenses to such Covered Person in respect of such proceeding and any obligation of an Other Indemnitor to provide indemnification or advancement of expenses shall be secondary to the obligations of the Corporation under this Article VII. If any Other Indemnitor pays or causes to be paid, for any reason, any amounts otherwise indemnifiable or subject to advancement under this Article VII, then (i) such Other Indemnitor shall be fully subrogated to all rights of the Covered Person with respect to the payments actually made and (ii) the Corporation shall reimburse such Other Indemnitor for the payments actually made.

ARTICLE VIII
STOCKHOLDER ACTION

(A) Any action required or permitted to be taken by the stockholders of the Corporation may be effected at a duly called annual or special meeting of such holders or by a consent in writing by such holders in accordance with Section 228 of the DGCL and the Bylaws. In addition, any action required or permitted to be taken by the holders of any series of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable Preferred Stock Designation.

(B) Except as otherwise required by law and subject to the rights of the holders of any series of Preferred Stock, special meetings of the stockholders of the Corporation for any purpose or purposes may be called at any time only (1) by or at the direction of the Board, any committee thereof, the Chairman of the Board, or the Chief Executive Officer or (2) by the Secretary of the Corporation upon the written request of the holders of a majority of the voting power of the issued and outstanding shares of Common Stock. Except as provided in the preceding sentence, special meetings of the stockholders of the Corporation may not be called by any person or persons.

(C) Advance notice of stockholder nominations for election of directors and other business to be brought by stockholders before a meeting of stockholders shall be given in the manner provided by the Bylaws.

ARTICLE IX
SECTION 203 OF THE DGCL

The Corporation shall be governed by Section 203 of the DGCL (" Section 203") if and for so long as Section 203 by its terms shall apply to the Corporation.

ARTICLE X
SEVERABILITY

If any provision or provisions (or any part thereof) of this Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (A) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Certificate of Incorporation (including, without limitation, each portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (B) to the fullest extent possible, the provisions of this Certificate of Incorporation (including, without limitation, each such portion of any paragraph of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Corporation to protect its directors, officers, employees and agents from personal liability in respect of their good faith service or for the benefit of the Corporation to the fullest extent permitted by law.

ARTICLE XI
AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right at any time and from time to time to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, and any other provisions authorized by the DGCL may be added or inserted, in the manner now or hereafter prescribed by law; and all rights, preferences and privileges of whatsoever nature conferred upon stockholders, directors or any other persons whomsoever by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article XI. Subject to applicable law, and subject to the rights of the holders of any series of Preferred Stock pursuant to any Preferred Stock Designation, the affirmative vote of the holders of a majority of the voting power of the issued and outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend, alter, change or repeal any provision of this Certificate of Incorporation, or to adopt any new provision of this Certificate of Incorporation.

ARTICLE XII
AMENDMENT OF BYLAWS

In furtherance and not in limitation of the powers conferred upon it by law, the Board is expressly authorized and empowered to adopt, amend and repeal the Bylaws by the affirmative vote of a majority of the total number of directors present at a regular or special meeting of the Board at which there is a quorum, or by unanimous written consent. The Bylaws may also be amended, altered or repealed and new Bylaws may be adopted by the affirmative vote of the holders of a majority of the voting power of the issued and outstanding shares of capital stock of the Corporation entitled to vote thereon.

ARTICLE XIII
FORUM

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if such court does not have jurisdiction, the Superior Court of the State of Delaware, or, if such other court does not have jurisdiction, the United States District Court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (A) any derivative action or proceeding brought on behalf of the Corporation, (B) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or employee of the Corporation to the Corporation or the Corporation's stockholders, (C) any action asserting a claim arising pursuant to any provision of the DGCL, or (D) any action asserting a claim governed by the internal affairs doctrine. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933 against the Corporation or any director or officer of the Corporation. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article XIII.

ARTICLE XIV
CERTAIN DEFINITIONS

Except as otherwise provided in this Certificate of Incorporation, the following definitions shall apply to the following terms as used in this Certificate of Incorporation:

(A) "Affiliate" shall mean, with respect to any Person, any other Person that, directly or indirectly, is controlled by such first Person.

(B) "Person" shall mean an individual, a firm, a corporation, a partnership, a limited liability company, an association, a joint venture, a joint stock company, a trust, an unincorporated organization or similar company, or any other entity.

ARTICLE XV
EFFECTIVENESS

The Fourth Amended and Restated Certificate of Incorporation shall be effective on May 14, 2024 at 12:01 am EST.

IN WITNESS WHEREOF, this Fourth Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of the Second Amended and Restated Certificate of Incorporation of this Corporation, and which has been duly adopted in accordance with Sections 228, 242 and 245 of the Delaware General Corporation Law, has been executed by its duly authorized officer on May 13, 2024.

BAKER HUGHES COMPANY

By: /s/ Fernando Contreras

Name: Fernando Contreras

Title: Corporate Secretary

[*Signature Page to Fourth Amended and Restated Charter*]

Exhibit 10.1

Baker Hughes Company
Non-Employee Director Deferral Plan

As Amended and Restated

SECTION 1. *General.*

(a) *Purpose.* The purpose of the Non-Employee Director Deferral Plan (the "**Plan**") is to attract and retain the services of experienced Directors by providing them with opportunities to defer income taxes on their compensation and encouraging them to acquire additional Shares, thereby furthering the best interests of Baker Hughes Company (together with its successors, the "**Company**") and its stockholders.

(b) *LTIP.* The Plan does not authorize or contemplate any additional Shares beyond the Shares authorized under the Baker Hughes Company 2021 Long-Term Incentive Plan (the "**LTIP**"), and the Plan incorporates by reference herein the terms of the LTIP. Unless otherwise defined in the Plan, capitalized terms used in the Plan shall have the meanings assigned to them in the LTIP.

(c) *Eligibility.* Except as otherwise determined by the Board, each Director is eligible to participate in the Plan.

(d) *Definitions*.

(i) "**Board**" means the Board of Directors of the Company.

(ii) "**Deferral**" means a Deferred Retainer or a Deferred RSU.

(iii) "**Deferral Date**" means (x) with respect to a Director's Deferred Retainer, the date on which the corresponding Retainer was scheduled to be to paid to such Director, or (y) with respect to a Director's Deferred RSU, the date on which the Shares covered by the corresponding RSU were scheduled to be issued to such Director, in either case had such Director not deferred such Retainer or RSU.

(iv) "**Deferred Retainer**" means a Retainer that is deferred by a Director pursuant to Section 3.

(v) "**Deferred RSU**" means an RSU that is deferred by a Director pursuant to Section 3.

(vi) "**Disability**" means that a Director (x) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months or (y) is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

(vii) "**Retainer**" means a cash retainer payable to a Director for service on the Board.

(viii) "**RSU**" means an Award of Restricted Stock Units granted to a Director pursuant to Section 6(c) of the LTIP or Deferred Stock Units granted to a Director pursuant to Section 6(f) of the LTIP.

SECTION 2. *Administration*.

(a) The Plan shall be administered by the Board, which shall have the power to interpret the Plan and to adopt such rules and guidelines for implementing the terms of the Plan as it may deem appropriate. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations and other decisions under or with respect to the Plan shall be within the sole discretion of the Board, may be made at any time, and shall be final, conclusive, and binding on all Persons, including the Company and any Affiliate, Director, beneficiary or stockholder.

(b) The Board may delegate to any Person such duties and powers, both administrative and discretionary, as it deems appropriate, except for such duties that may not be delegated by law or regulation. In administering the Plan, the Board may employ attorneys, consultants, accountants or other Persons, and the Company and the Board shall be entitled to rely on the advice or opinions of any such Persons. All ordinary and reasonable expenses of the Board shall be paid by the Company.

SECTION 3. *Deferral Elections.*

(a) Election Forms.

(i) A Director may elect to defer receipt of a Retainer or RSU pursuant to a form provided to the Director by an officer of the Company (each an "**Authorized Officer**") and filed with the Secretary of the Company (an **Election Form**"). Each Election Form will remain in effect until superseded or revoked pursuant to Section 3(c) or (d). Notwithstanding the foregoing, as of the Effective Date (as defined in Section 8(l) below) a Director may no longer file an Election Form with respect to RSUs, but is expected to receive additional RSUs annually that are credited to the Director's account under this Plan pursuant to the terms of the applicable award agreement.

(ii) An Election Form may provide for a Director to elect to receive distribution of such Director's Deferral at the following times or such other times consistent with Section 409A of the Code (but in no event earlier than the applicable Deferral Date): (x) a specified date, (y) cessation of such Director's service on the Board or (z) the earlier or the later of a specified date or cessation of such Director's service on the Board.

(b) Initial Elections.

(i) An Election Form shall apply to any Retainer that is paid or any RSU that is granted to a Director for any period of service that commences following the year in which such Election Form is filed.

(ii) Notwithstanding Section 3(b)(i), a Director who first becomes eligible to participate in the Plan (including any other plan that is required to be treated as a single plan with the Plan under Section 409A of the Code) may file an Election Form during the first 30 days of such eligibility; *provided* that such Election Form shall apply only to any Retainer that is paid or any RSU that is granted to such Director for any period of service that commences after the date that such Election Form is filed.

(iii) Notwithstanding Sections 3(b)(i) and (ii), if a Director elects, pursuant to an Election Form, to defer a Retainer to a date that is not later than December 31 of the year in which such Retainer otherwise would have been paid to such Director, such Election Form shall apply to any Retainer that is paid to such Director following the date on which such Election Form is filed.

(c) *Subsequent Elections.* A Director who has an Election Form on file with the Company may file with the Secretary of the Company a subsequent Election Form at any time. Such Election Form shall apply to any Retainer that is paid or any RSU that is granted to such Director for any period of service that commences following the year in which such Election Form is filed.

(d) *Revoking Elections.* A Director may revoke an Election Form at any time by providing written notice to the Secretary of the Company. Such revocation shall apply to any Retainer that is paid or any RSU that is granted to such Director for any period of service that commences following the year in which such Election Form is filed. Notwithstanding the foregoing, if the original Election Form provided for deferral of such Director's Retainer to a date that is not later than December 31 of the year in which such Retainer otherwise would have been paid to such Director, such revocation shall apply to any Retainer that is paid to such Director following the date on which such Director provides written notice thereof to the Secretary of the Company.

(e) *Redeferrals.* Not less than 12 months prior to the date on which a Deferral is scheduled to be distributed to a Director, such Director may elect to redefer such Deferral to a date that is not less than five years after the scheduled distribution date. Such redeferral election shall be made in an Election Form provided to the Director by an Authorized Officer and filed with the Secretary of the Company.

(f) *Vesting*. Each Deferral shall be fully vested and non-forfeitable at all times from the applicable Deferral Date.

SECTION 4. *Distributions.*

(a) *Regular Distribution Date.* Subject to this Section 4, distribution with respect to a Director's Deferral shall be made to such Director in a lump sum payment at the time specified in the applicable Election Form or, with respect to RSUs granted under the LTIP on or after May 22, 2024, the applicable award agreement.

(b) *Change in Control, Death and Disability.* All of a Director's Deferrals shall be distributed to such Director on a Change in Control or within 30 days following such Director's death or Disability.

(c) *Unforeseeable Emergency*. The Board, in its sole discretion, may accelerate the distribution of a Director's Deferral if such Director experiences an unforeseeable emergency; *provided* that such distribution complies with Section 409A of the Code. To request such a distribution, a Director must file an application with the Board and furnish such supporting documentation as the Board may require. Such application shall specify the basis for the distribution and the amount to be distributed. If such request is approved by the Board, distribution shall be made in a lump sum payment as soon as administratively practicable, but not more than 30 days, following such approval.

(d) *Specified Employees.* If the Board considers a Director to be one of the Company's "specified employees" under Section 409A of the Code at the time of such Director's cessation of service on the Board, any distribution that otherwise would be made to such Director with respect to a Deferral as a result of such cessation of service shall not be made until the date that is six months after such cessation of service, except to the extent that earlier distribution would not result in such Director's incurring interest or additional tax under Section 409A of the Code.

SECTION 5. *Amount of Distribution.*

(a) Each Deferral shall be notionally invested in Shares from the applicable Deferral Date through the applicable distribution date. In the case of a Deferred Retainer, the initial number of such notional Shares shall be determined on December 15 of the year in which services are performed by dividing the amount of the corresponding Retainer by the closing price of a Share on the Deferral Date or by such other calculation method as is determined by the Board. In the case of a Deferred RSU, the initial number of such notional Shares shall be the number of Shares covered by the corresponding RSU. Each Deferral shall be allocated to a separate bookkeeping account (an "**Account**") established and maintained by the Board to record the number of Shares in which such Deferral is notionally invested.

(b) *Cash Dividend Payment*. This Section 5(b) shall apply to all Deferrals made with respect to any period of service prior to January 1, 2025. With respect to the period beginning on the Deferral Date applicable to a Director's Deferral and ending on the distribution date applicable to such Deferral, such Director shall receive a cash payment with respect to any cash dividend that would have been paid on a number of outstanding Shares equal to the number of notional Shares credited to the applicable Account as of the applicable dividend record date.

Each such payment shall be made on the date on which the applicable dividend is paid to holders of Shares generally (each a "**Dividend Payment Date**").

(c) *Deferral of Dividend Payment*. For Deferrals (i) made with respect to any period of service that commences on or after January 1, 2025 or (ii) for which an initial Election Form is filed in connection with a Director's appointment to the Board after January 1, 2024, in each case, with respect to the period beginning on the Deferral Date applicable to a Director's Deferral and ending on the distribution date applicable to such Deferral, effective as of each Dividend Payment Date, additional notional Shares will be credited to such Director's Account, payable at the same time as such Director's Deferral, as specified in the applicable Election Form. The number of notional Shares credited in accordance with this Section 5(c) will be determined by multiplying the number of notional Shares credited to the applicable Account on the dividend record date by any per Share cash dividends declared by the Company and dividing the product by the closing price of a Share on such Dividend Payment Date; provided, however that for purposes of this calculation, the number of notional Shares credited to the applicable Account will assume that the number of notional Shares for a Deferred Retainer were credited as of the Deferral Date for such underlying Retainer. Once credited to the Director's Account, any such additional number of notional Shares shall be credited with additional notional Shares on each subsequent Dividend Payment Date until the distribution of all Shares from the Director's account.

(d) In the event that the Board shall determine that any dividend or other distribution (whether in the form of cash, Shares or other securities), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, or other similar corporate transaction or event constitutes an equity restructuring transaction, as that term is defined in Accounting Standards Codification Topic 718 (or any successor thereto), or otherwise affects the Shares, then the Board shall adjust the number and type of securities or other property (including cash) payable with respect to outstanding Deferrals in a manner that is determined by the Board to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(e) On the distribution date applicable to a Director's Deferral, such Director shall receive that number of Shares equal to the number of notional Shares credited to the applicable Account as of such distribution date; *provided* that cash shall be distributed in lieu of any fractional Shares.

SECTION 6. *General Provisions Applicable to Deferrals.*

(a) Except as provided by the Board, no Deferral and no right under any Deferral, shall be assignable, alienable, saleable or transferable by a Director otherwise than by will or by the laws of descent and distribution; *provided, however,* that, if so determined by the Board, a Director may, in the manner established by the Board, designate a beneficiary or beneficiaries to exercise the rights of the Director with respect to a Deferral on the death of the Director. Each Deferral, and each right under any Deferral, shall be exercisable, during the Director's lifetime, only by the Director or, if permissible under applicable law, by the Director's guardian or legal representative. No Deferral, and no right under any Deferral, may be pledged, alienated, attached or otherwise encumbered, and any purported pledge, alienation, attachment or encumbrance thereof shall be void and unenforceable against the Company or any Affiliate.

(b) All Shares or other securities delivered under the Plan shall be subject to such stop transfer orders and other restrictions as the Board may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange on which such Shares or other securities are then listed, and any applicable federal, state or local securities laws, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

SECTION 7. *Amendments and Termination.*

(a) The Board, in its sole discretion, may amend, suspend or discontinue the Plan or any Deferral at any time; *provided* that no such amendment, suspension or discontinuance shall reduce the accrued benefit of any Director except to the extent necessary to comply with any provision of federal, state or other applicable law. The Board further has the right, without a Director's consent, to amend or modify the terms of the Plan and such Director's Deferrals to the extent that the Board deems it necessary to avoid adverse or unintended tax consequences to such Director under Section 409A of the Code.

(b) The Board, in its sole discretion, may terminate the Plan at any time, as long as such termination complies with then applicable tax and other requirements. Distributions of Deferrals outstanding under the Plan as of the date on which the Plan is terminated will be made in a lump sum payment 12 months after such termination, unless the right to receive a distribution in accordance with the terms of the Plan would occur before the end of such 12month period, in which case distribution will be made in accordance with the terms of the Plan.

(c) Such other changes to Deferrals shall be permitted and honored under the Plan to the extent authorized by the Board and consistent with Section 409A of the Code.

SECTION 8. *Miscellaneous*.

(a) *No Rights to Participation*. No Director or other Person shall have any claim to be entitled to make a deferral under the Plan, and there is no obligation for uniformity of treatment of Directors or beneficiaries under the Plan. The terms and conditions of deferrals under the Plan need not be the same with respect to each Director.

(b) *Withholding.* The Company or any Subsidiary shall be authorized to withhold from any Deferral the amount (in cash, Shares or other securities) of taxes required or permitted to be withheld (up to the maximum statutory tax rate in the relevant jurisdiction) in respect of such Deferral and to take such other action as may be necessary or appropriate in the opinion of the Company or Subsidiary to satisfy withholding taxes.

(c) *No Limit on Other Compensation Arrangements.* Nothing contained in the Plan shall prevent the Company or any Subsidiary from adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

(d) *No Right to Continued Service.* The opportunity to make a Deferral under the Plan shall not be construed as giving a Director the right to be retained in the service of the Board or the Company. A Director's Deferral under the Plan is not intended to confer any rights on such Director except as set forth in the Plan. The Company expressly reserves the right at any time to replace or not to renominate a Director without any liability for any claim against the Company for any payment or distribution except to the extent provided for in the Plan.

(e) *Rights as a Stockholder.* A Director will have no rights as a stockholder unless and until Shares are issued hereunder and such Director becomes the holder of record of such Shares.

(f) *Governing Law.* The validity, construction and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the State of Delaware and applicable federal law without regard to conflict of law.

(g) *Severability*. If any provision of the Plan or any Election Form is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any Person, or would disqualify the Plan or any Deferral under any law deemed applicable by the Board, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Board, materially altering the intent of the Plan or such Deferral, such provision shall be stricken as to such jurisdiction, Person or Deferral, and the remainder of the Plan and such Election Form shall remain in full force and effect.

(h) *Unfunded Status of the Plan*. The Plan is unfunded. The Plan, together with the applicable Election Form, shall represent at all times an unfunded and unsecured contractual obligation of the Company. Each Director and beneficiary will be an unsecured creditor of the Company with respect to all obligations owed to them under the Plan. Amounts payable under the Plan will be satisfied solely out of the general assets of the Company subject to the claims of its creditors. No Director or beneficiary will have any interest in any fund or in any specific asset of the Company of any kind, nor shall any Director or beneficiary or any other Person have any right to receive any payment or distribution under the Plan except as, and to the extent, expressly provided in the Plan and the applicable Election Form. The Company will not segregate any funds or assets to provide for any distribution under the Plan. Any reserve or other asset that the Company may establish or acquire to assure itself of the funds to provide payments required under the Plan shall not serve in any way as security to any Director or beneficiary for the Company's performance under the Plan.

(i) *Headings.* Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

(j) *Indemnification.* Subject to requirements of Delaware State law, each individual who is or shall have been a member of the Board, or a Person to whom authority was delegated in accordance with Section 2(b), shall be indemnified and held harmless by the Company against and from any loss, cost, liability or expense that may be imposed on or reasonably incurred by him or her in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit or proceeding against him or her; *provided* that he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such individuals may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

(k) *Section 409A of the Code.* With respect to Deferrals that are subject to Section 409A of the Code, the Plan is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and any Election Form shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and the Plan shall be operated accordingly. If any provision of the Plan or any Election Form would otherwise frustrate or conflict with this intent, such provision will be interpreted and deemed amended so as to avoid such conflict.

(l) *Effective Date of Amendment and Restatement of the Plan.* The Amendment and Restatement of the Plan shall be effective as of May 22, 2024 (the "**Effective Date**").

Baker Hughes Company Director Deferred Stock Unit Award Agreement For

[●] ("Participant")

1. **Capitalized Terms**. Each capitalized term used but not defined herein shall have the meaning ascribed to such term in the Baker Hughes Company 2021 Long-Term Incentive Plan (the "**Plan**").

2. **Grant**. The Board of Directors (the "**Board**") of Baker Hughes Company (the "**Company**") has granted Deferred Stock Units ("**DSUs**") to Participant on [●] (the "**Grant Date**"). Each DSU entitles Participant to receive from the Company one share of Class A common stock of the Company, par value $0.0001 per share ("**Share**") on the Grant Date. Each DSU will be fully vested on the Grant Date.

3. **Plan Terms**. All terms used in this Award have the same meaning as given such terms in the Plan, a copy of which will be furnished upon request. This Award is subject to the terms of the Plan, which terms are incorporated by reference. For the avoidance of doubt, this Award is an award of restricted stock units granted to Participant pursuant to Section 6(c) of the Plan.

4. **No Ownership Rights Prior to Issuance of Common Stock**. Participant shall not have any rights as a stockholder of the Company with respect to the Shares underlying the DSUs, including but not limited to the right to vote with respect to such Shares, until and after such Shares have been actually issued to Participant and transferred on the books and records of the Company.

5. **Delivery of Shares of Common Stock**. Within 30 days following the date of Participant's "retirement" from the Board, the Company shall cause to be delivered to Participant the full number of Shares underlying the DSUs, together with all accrued Dividend Equivalents, subject to satisfaction of any applicable tax withholding pursuant to Section 8(b) of the Plan. For purposes of this Award, "retirement" from the Board means separation from service (as a director, employee and all other service provider relationships) with the Company under any circumstances, including due to death or disability. For the avoidance of doubt, a separation from service must meet the requirements of a "separation from service" within the meaning of Section 409A of the Code.

6. **Administration Pursuant to Deferral Plan**. Until settled in Shares pursuant to Section 5 above (or such earlier time as may be specified pursuant to the Baker Hughes Company Non-Employee Director Deferred Compensation Plan, as amended and restated effective May 22, 2024, and thereafter amended (the "**Deferral Plan**")), each DSU shall be credited as an additional Deferral to Participant's Account (as defined in the Deferral Plan) as an additional notional deferred Share with a Deferral Date (as defined in the Deferral Plan) as of the Grant Date, and after the Deferral Date will accrue additional

notional Shares as of the date any dividends are paid with respect to the credited Shares in accordance with Section 5(c) of the Deferral Plan. The distribution timing specified pursuant to Section 5 will be the regular distribution timing for deferred Shares credited in respect of this grant of DSUs for purposes of Section 4(a) of the Deferral Plan.

7. **Electronic Delivery**. Participant agrees, to the fullest extent permitted by law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company and its Subsidiaries or affiliated companies may deliver in connection with this grant and any other grants offered by the Company, including prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. Electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or a website of the Company's agent administering the Plan. By accepting this Award, Participant also hereby consents to participate in the Plan through such system, intranet, or website, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions.

8. **Nontransferability**. This Award and this Agreement are not transferable or assignable by you other than by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the Code or Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, or similar order.

9. **Data Privacy**. The Company, the stock brokerage or other financial or administrative services firm designated by the Company (the "**Stock Plan Administrator**"), or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan administer and maintain the data regarding the Plan, the participants and the awards granted to participants in the group consisting of the Company and its Subsidiaries (the "Company Group") worldwide. You authorize the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Personal Data (as defined below), in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan. The data administered and maintained by the Company, the Stock Plan Administrator and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan includes information that may be considered personal data, including *your name, home address, email address and telephone number, date of birth, social security or insurance number, passport number or other identification number, salary, nationality, and any Shares or directorships held in the Company, and details of this Award or any other entitlement to Shares, canceled, exercised, vested, unvested or outstanding in your favor* ("**Personal Data**"). You further acknowledge that you understand that the countries to which your Personal Data may be transferred may have data protection standards that are different than those in your home country and that offer a level of data protection that is less than that in your home country. Further, you understand that you are providing the

consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your service status and career will not be affected; the only consequence of refusing or withdrawing your consent is that the Company would not be able to grant you this Award or other equity awards or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan.

10. **Entire Agreement**. This Award Agreement, the Plan, country specific addendums and the rules and procedures adopted by the Board contain all of the provisions applicable to the DSUs and no other statements, documents or practices may modify, waive or alter such provisions unless expressly set forth in writing, signed by an authorized officer of the Company and delivered to Participant.

This document constitutes part of a prospectus covering securities that have been registered under the Securities Act of 1933, as amended.

Exhibit 31.1

CERTIFICATION

I, Lorenzo Simonelli, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Baker Hughes Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date:	July 26, 2024	By:	/s/ Lorenzo Simonelli
			Lorenzo Simonelli
			President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Nancy Buese, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Baker Hughes Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date:	July 26, 2024	By:	/s/ Nancy Buese
			Nancy Buese
			Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Baker Hughes Company (the “Company”) on Form 10-Q for the period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Lorenzo Simonelli, President and Chief Executive Officer of the Company, and Nancy Buese, the Executive Vice President and Chief Financial Officer of the Company, each of the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

The certification is given to the knowledge of the undersigned.

	/s/ Lorenzo Simonelli
Name:	Lorenzo Simonelli
Title:	President and Chief Executive Officer
Date:	July 26, 2024

	/s/ Nancy Buese
Name:	Nancy Buese
Title:	Executive Vice President and Chief Financial Officer
Date:	July 26, 2024

<u>Exhibit 95</u>

Mine Safety Disclosure

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K, which require certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977.

The table that follows reflects citations, orders, violations and proposed assessments issued by the Mine Safety and Health Administration (the "MSHA") for each mine of which Baker Hughes Company and/or its subsidiaries is an operator. The disclosure is with respect to the three months ended June 30, 2024. Due to timing and other factors, the data may not agree with the mine data retrieval system maintained by the MSHA at www.MSHA.gov.

Three Months Ended June 30, 2024

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Proposed MSHA Assessments (1)	Mining Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e) (yes/no)	Received Notice of Potential to Have Pattern Under Section 104(e) (yes/no)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Morgan City Grinding Plant/1601357	2	—	—	—	—	$ —	—	N	N	—	—	—
Argenta Mine and Mill/2601152	—	—	—	—	—	$ —	—	N	N	—	—	—

(1) Amounts included are the total dollar value of proposed assessments received from MSHA during the three months ended June 30, 2024, regardless of whether the assessment has been challenged or appealed. Citations and orders can be contested and appealed, and as part of that process, are sometimes reduced in severity and amount, and sometimes dismissed. The number of citations, orders, and proposed assessments vary by inspector and also vary depending on the size and type of the operation.