

Energy Forward

2019 Report on Corporate Responsibility



Our purpose

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

Clean, affordable, abundant energy for everyone is essential to help the world grow and prosper. As an energy technology company, we have a unique role to play in advancing the world's energy systems. From more efficient oilfield and turbomachinery equipment and services, to digital solutions, to carbon capture and storage, we are taking energy forward.

Navigating the report

Reporting frameworks

Our corporate responsibility report is prepared in accordance with GRI-Core standards and references the United Nations Sustainable Development Goals. Our approach to corporate responsibility is detailed on pages 11 to 16.

Reports and policies

Our archived reports and policies are accessible on our website at: <https://www.bakerhughes.com/corporate-responsibility>

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A letter from our CEO

Taking energy forward

In a pivotal moment for our company, we relaunched in 2019 as an energy technology company, committed to making energy safer, cleaner, and more efficient for people and the planet. It was a declaration of our commitment to use our talents, technology, and resources to drive real change in the energy industry and the world.

We view environmental, social, and governance (ESG) as a key lever to transform the performance of our company and our industry. Over the last year we enhanced our programs and commitments, and have increased the transparency of our reporting.

The dual challenge of energy and climate

The collective action of people and industry, when directed with purpose, can enable change on a global scale. The dual challenge of energy access and climate change is one of the greatest issues facing our world. That is why Baker Hughes has committed to achieve net zero carbon emissions from our operations by 2050, and develop new solutions to help the oil and gas industry reduce carbon emissions across the entire value chain.

Through year-end 2019 our Scope 1 and 2 carbon equivalent emissions are 31 percent lower than our 2012 baseline. Emissions increased slightly over the prior year primarily driven by an increase in activity and expanding the boundary of what is reported in our Scope 1 emissions. However, most of these increases were mitigated through energy efficiency improvements and emissions reduction projects around the globe; from facility upgrades, to renewable energy projects, to logistics improvements. We will continue to take aggressive actions that will support us on our journey to net zero.

Leading with technology

Our commitment to innovation has led to many high efficiency product and service offerings that are helping customers reduce emissions in the field today. We are investing in new technologies, products, and services that advance

“Our purpose is clear and our commitment is firm. We make energy safer, cleaner, and more efficient for people and the planet.”

Lorenzo Simonelli
Chairman and CEO



our industry in cleaner energy, from carbon capture and storage to hydrogen-fueled turbines that will help the industry continue to innovate toward a net zero future. We are bringing the latest technological advances forward to solve some of our industry's toughest challenges. In 2019 we announced partnerships with C3.ai and Microsoft to bring enterprise artificial intelligence (AI) solutions to the energy sector. By combining data, analytics, and industry expertise, we will enable our customers to improve safety, reliability, and sustainability.

An inclusive workplace

People are the key to achieving our vision of a cleaner energy future for everyone. Innovative minds, engaged people, and diverse perspectives will be needed to meet the world's pressing energy challenges. We build and reinforce our culture every day by operating ethically and responsibly. Baker Hughes provides learning and development opportunities within an inclusive work environment, as we cultivate the next generation of energy leaders. Our commitment to diversity and inclusion extends to working with our suppliers and partners and our local communities. A company with bold ambitions must look beyond its walls and positively influence the entire ecosystem of stakeholders. That is how we are leading the energy transition for our teams and our partners.

Leading with resilience

The COVID-19 pandemic and accompanying economic slowdown in 2020 has brought many challenges to our society and our industry. I am proud of the resilience that Baker Hughes employees have shown in taking care of each other, supporting our customers, and contributing to our communities. You'll learn more about our efforts in this report, from developing remote operations to innovating new techniques for printing protective equipment and ventilator parts for local hospitals to enhance their capacity to treat people with COVID-19. We are all finding new ways of operating while remaining true to our commitment to health, safety, and ethical principles.

We approach the challenges of our time with a spirit of resilience and an eye toward the future. Baker Hughes remains firmly committed to our core principles and our vision of a cleaner, more efficient, more sustainable energy future. Our people and our partners will help us get there, and we value the contributions that each and every person is making to move us forward. I hope you'll join us on our journey.

Lorenzo Simonelli
Chairman and CEO

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Innovative minds,
engaged people,
and diverse
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be needed to meet
the world's pressing
energy challenges.

A letter from our ESG Steering Team chair



A renewed purpose and a commitment to transparency

As an energy technology leader, it is crucial for Baker Hughes to model leadership in ESG performance for our industry. Building on strong progress in 2018 we've made a number of fundamental improvements to the way we are governing, advancing, and reporting ESG performance. We are taking a more strategic, rigorous approach to this important priority.

Expanding leadership engagement

Engaged executive leadership is a key component of ESG performance. We have expanded our leadership engagement in the oversight of ESG issues. Our expanded ESG Steering Team includes a broad cross section of leadership from across the company, with working groups assigned to implement program improvements throughout the year.

Committing to United Nations principles

Baker Hughes became a signatory of the UN Global Compact, the world's largest sustainability organization. We are committed to the United Nations principles on human rights, labor, environment, and anti-corruption. This year's corporate responsibility reporting is aligned to the United Nations Sustainable Development Goals.

Identifying material priorities

To enhance our ESG strategy and focus our reporting, we conducted a formal materiality assessment of our ESG issues. You will find a summary of the findings in this year's report. By engaging with stakeholders including customers, employees, investors, board members, and nonprofits we gained a deeper understanding of ways we can address the most important issues facing the company and the industry.

We are committed to the United Nations principles on human rights, labor, environment, and anti-corruption.

WE SUPPORT



Aligning with core values

Our strategy and purpose are enabled by our culture, which is built on a strong set of values that guides our behavior. We have refreshed our values and harmonized many of our policies to provide a simple, memorable, and action-oriented way of expressing our culture. They are: grow, collaborate, lead, and care. Our employees embrace and live these values every day, providing the foundation to deliver for our customers and stakeholders today and far into the future.

Leading in talent management

We launched new systems and processes for talent management, learning, recognition, career development, and inclusion and diversity as part of our system integration activities. We expect these systems to enable a more integrated and holistic approach to developing and valuing our people throughout the organization. We relaunched eight global Employee Resource Groups (ERGs) to promote diverse perspectives, networking, and service activities.

Improving reporting

As part of our commitment to open and transparent reporting, we have set year-over-year performance indicators that will enable us to demonstrate progress, while enhancing our transparency through more robust and comprehensive data collection and reporting. We have aligned our corporate responsibility report with the United Nations Sustainable Development Goals, and prepared our report in accordance with the GRI-Core standards.

We hope you find this year's report, informative, and candid. We are committed to stakeholder input and continually improving our processes and programs. If you have questions or comments about our reporting or our approach to ESG issues, I encourage you to reach out to me or a member of our leadership team.

Allyson Anderson Book

Vice President, Energy Transition

We continued our energy transition progress and commercialized new products that we expect will help the industry reduce emissions.



We launched new systems and processes for talent management, learning, recognition, career development, and inclusion and diversity as part of our integration activities.

2019 corporate responsibility dashboard

This dashboard, new for this year’s report, presents our progress on key sustainability measures over time. The dashboard demonstrates the alignment between our material priorities, our performance metrics and the United Nations Sustainable Development Goals (SDG’s).



Planet

MATERIAL PRIORITY	KEY PERFORMANCE INDICATORS (KPIs)	2018 RESULT	2019 RESULT	NEXT STEPS	RELEVANT SUSTAINABLE DEVELOPMENT GOALS
Greenhouse gas emissions	Scope 1 & 2 emissions reduction compared to 2012 baseline	(34%)	(31%)	Year-over-year increase driven primarily by activity and expanded reporting boundary. Continue emissions reduction projects.	Goal numbers:
	% of electricity from renewables	17,762 MW (3% of total)	104,457 MW (14.5% of total)	Full impact of Texas renewables agreement is expected to be seen in 2020-2021 data, planning to pursue additional projects	
Energy transition business impact and innovation	Number of product lifecycle carbon assessments completed	New 2019 metric	1 completed, 2 underway	Develop new tools for carbon lifecycle assessments	
Water and waste management	Waste generated	New 2019 metric	170,587 metric tons	Expand facility waste reduction projects and enhanced recycling efforts	
	Water use	New 2019 metric	1,205,083 megaliters	Enhance water conservation awareness and identify new reduction pathways	
	Spill volumes (>1 barrel/42 gallons) outside of secondary containment	199 barrels	57 barrels	Implement targeted corrective actions including human performance factors	



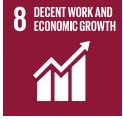



People

MATERIAL PRIORITY	KEY PERFORMANCE INDICATORS (KPIs)	2018 RESULT	2019 RESULT	NEXT STEPS	RELEVANT SUSTAINABLE DEVELOPMENT GOALS
Attracting, retaining, and developing talent	% of voluntary turnover in workforce	5.7%	6.2%	Aim to retain employees through development, engagement, and competitive pay and benefits	
	# of employees participating in leadership training programs	5,200	5,400	Realize full benefit of new training programs and systems launched in 2019.	
	# of people completing professional development planning with their manager	New metric for 2019	47%	Launch new performance development system in WorkDay to increase tracking	
Diversity and inclusion	% of people who identify as women in workforce, senior leadership and board of directors	17%, 19%, 22%	17%, 21%, 33%	Expand membership of employee resource groups	
	% of US employees who identify as minority groups	35%	35%	We intend to increase representation of diverse groups in recruiting, internship, and leadership development programs	
	Amount spent with diverse suppliers and small businesses	\$118M	\$132M	Implement strategic supplier diversity plans with champions and targets for each product company	
Community and stakeholder engagement	Total company and employee charitable and in-kind contributions	\$23.3M*	\$25.7M	Continue to support education, environment, and health nonprofits through the Baker Hughes Foundation	
	Volunteer service hours	17,000 hours logged	29,673 hours logged	Expand use of YourCause system to improve employee volunteer tracking	

* 2018 result updated from prior report

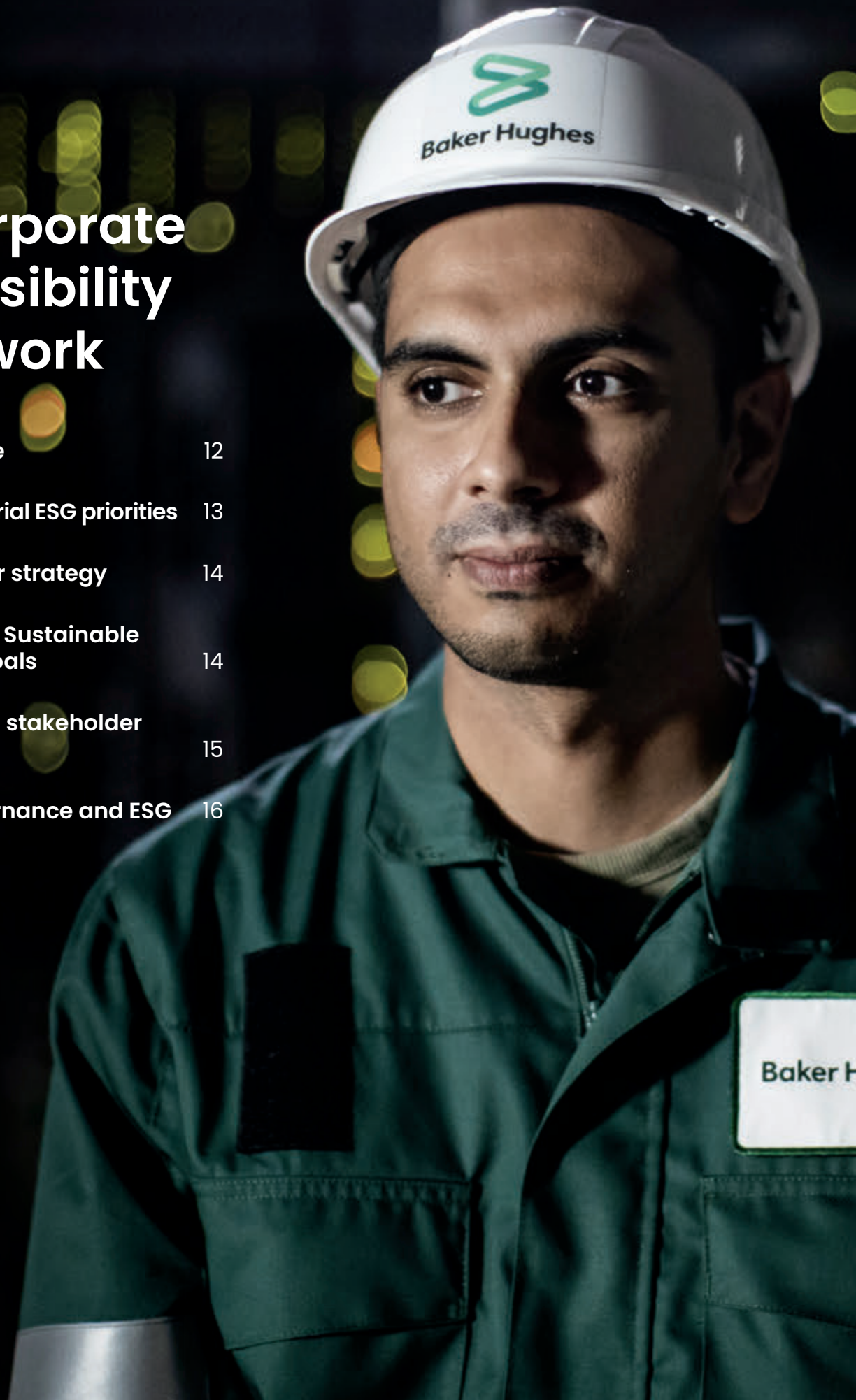


Principles

MATERIAL PRIORITY	KEY PERFORMANCE INDICATORS (KPIs)	2018 RESULT	2019 RESULT	NEXT STEPS	RELEVANT SUSTAINABLE DEVELOPMENT GOALS
Ethics and governance	# of employees trained in ethics and compliance	50,000	56,675	Increase the response rate on code of conduct and conflict of interest surveys	 
	Supplier social audits conducted	589	590		
	Supplier audit serious findings closed within 90 days	91%	96%		
Health, safety, and environment (HSE)	Perfect HSE days	153	161	Our focus will continue to be on HSE fundamentals, leadership training, and improving leading indicators	 
	Leading Indicators				
	HSE Observations	586,000	1,084,627		
	Leader HSE Engagements	39,851	67,726		
	Near Misses	1,841	1,763		
Lagging Indicators					
Total recordable incident rate	0.32	0.28			
Employee fatalities	1	0			

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Our corporate responsibility framework

Company profile

We have integrated offerings and a unique set of products and services across our four product companies.

Oilfield Services

Our strong positions in artificial lift and chemicals provide more stability to our overall portfolio.

\$12.9B in orders

\$12.9B in revenues

\$917M in operating income

Oilfield Equipment

Our leading position is driven by our subsea production and flexible pipe offerings.

\$3.5B in orders

\$2.9B in revenues

\$55M in operating income

Turbomachinery & Process Solutions

Our turbomachinery business is a technology leader in upstream production and liquefied natural gas.

\$7.9B in orders

\$5.5B in revenues

\$719M in operating income

Digital Solutions

Our Digital Solutions business connects industrial assets across a variety of end-markets.

\$2.6B in orders

\$2.5B in revenues

\$343M in operating income

We are an energy technology company.

We are developing and deploying the technologies to take energy and the industry forward.

2019 FINANCIAL RESULTS

\$27.0B
in orders

\$23.8B
in revenues

\$2.1B
in cash flows from operating activities

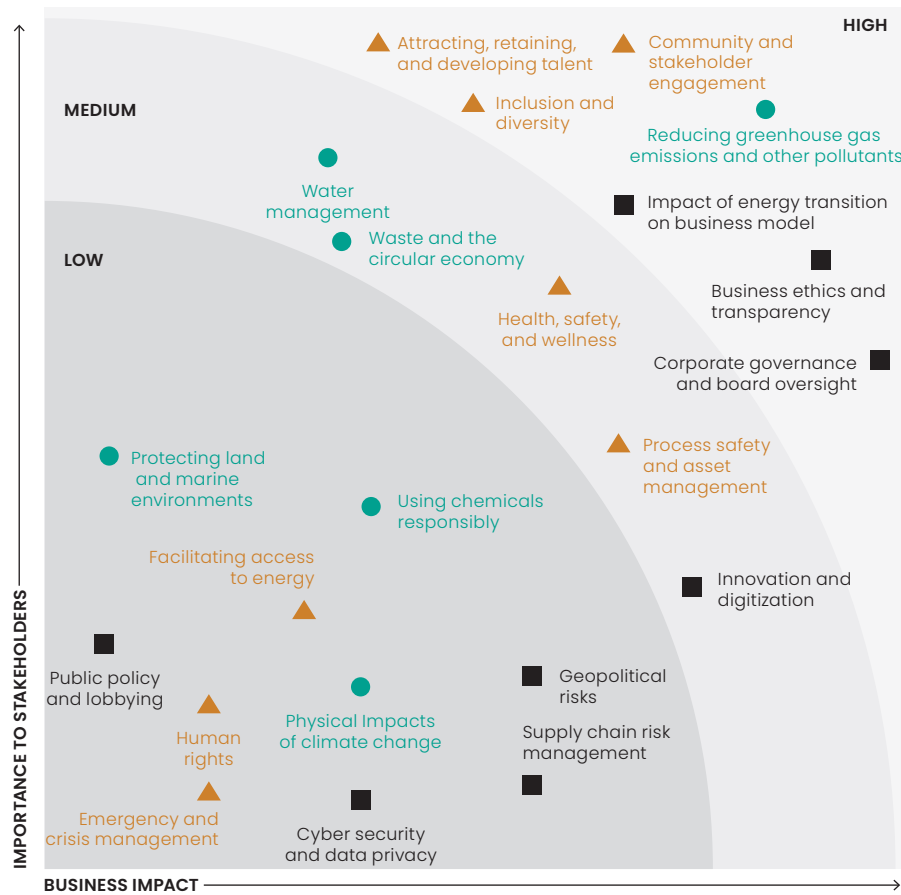
All product company metrics represent 2019 results.

Identifying material ESG priorities

In 2019 Baker Hughes conducted a materiality assessment to identify the ESG topics that most critically impact its business and are of interest to external stakeholders. As part of the assessment EY consolidated on our behalf input from in-person interviews, focus groups, surveys, and publicly available data. The perspectives of customers, competitors, shareholders, employees, the Baker Hughes board of directors and non-governmental organizations are reflected in the materiality matrix below.

The materiality assessment represents a snapshot in time aligned with our 2019 reporting boundary. Since the assessment was conducted, important world events have occurred which impact our view on our material ESG priorities, such as the COVID-19 pandemic and protests in support of racial equality in the U.S. We intend to refresh our materiality assessment prior to our next report to reflect the increasing importance of issues like safety, health, and human rights to our stakeholders and the company. We share our perspectives on these important issues in this report although they fall outside our 2019 reporting boundary – under the heading of “A Look Ahead to 2020”.

Materiality matrix



BAKER HUGHES ESG MATERIAL PRIORITIES

Environment

HIGH

- Reducing greenhouse gas emissions and other pollutants

MEDIUM

- Water management
- Waste and the circular economy

LOW

- Physical impacts of climate change
- Using chemicals responsibly
- Protecting land and marine environments

Social

HIGH

- Attracting, retaining, and developing talent
- Inclusion and diversity
- Community and stakeholder engagement

MEDIUM

- Health, safety, and wellness
- Process safety and asset management

LOW

- Human rights
- Facilitating access to energy
- Emergency and crisis management

Governance

HIGH

- Impact of energy transition on business model
- Business ethics and transparency
- Corporate governance and board oversight

MEDIUM

- Innovation and digitization

LOW

- Public policy and lobbying
- Geopolitical risks
- Supply chain risk management
- Cyber security and data privacy

Aligning with our strategy

Guided by our corporate purpose and our core values, Baker Hughes' corporate responsibility framework of People, Planet and Principles guides our responsibility to sustainable operations and enables us to realize our energy technology strategy.



Our sustainability framework

OUR MATERIAL PRIORITIES
As identified by our materiality assessment

OUR REPORTING FRAMEWORKS
United Nations Sustainable Development Goals / SASB / GRI-Core

Alignment to United Nations Sustainable Development Goals

In October 2019 Baker Hughes became a signatory of the UN's Global Compact – a voluntary leadership platform for the development, implementation, and disclosure of responsible business practices. Baker Hughes takes a leadership position in its industry sector by making this commitment.

Baker Hughes is committed to supporting and reporting its progress toward the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption, as well as the Sustainable Development Goals.



Our approach to stakeholder engagement

Engaging with diverse stakeholders causes us to consider all perspectives of our operations and that we identify the most significant ways we impact the world. In 2019 we conducted a variety of engagements, including a formal materiality assessment, to align our priorities with our stakeholders.

Looking toward 2020, many of our traditional stakeholder engagement methods that depend on face-to-face meetings and conferences are being moved to virtual or electronic formats. We nonetheless remain committed to seeking diverse viewpoints and perspectives.

STAKEHOLDERS	FORM OF ENGAGEMENT	FREQUENCY
Customers	Global, regional and local industry events, forums, and conferences	Our senior leaders and commercial teams actively participate in hundreds of customer events and meetings across the globe.
	Proprietary company events and meetings	
	Partnerships and working groups to advance best practices	
Investors	Public quarterly earnings calls	We inform our investors and analysts about our operations formally on a quarterly and annual basis, as well as proactively engage in year-round integrated outreach, to monitor developments in corporate governance and sustainability.
	Annual shareholder meeting	
	Executive meetings, presentations, and operational tours	
	Outreach program led by our Investor Relations group, the Corporate Secretary's Office, and Executive Compensation Team	
Employees	Culture and pulse surveys	We exchange ideas and feedback with our employees across a wide array of communications channels weekly, monthly, quarterly, and annually. In 2019 more than 18,000 employees participated in our inclusion and diversity pulse survey.
	Town hall meetings	
	Interactive online forums	
	People leader engagement	
	Employee Resource Groups, many with senior leader sponsors	
	CEO's Employee Pulse Group	
Governments	Formal and informal bilateral meetings with public officials at all levels of government	Given the breadth and scope of our industry and the global footprint in which we operate, Baker Hughes senior leaders across our operations engage with public officials at all levels of government on a regular basis.
	Lobbying and other direct engagement in compliance with applicable laws and regulations	
Community	Civic engagement through economic development groups, chambers of commerce and related forums	We have ongoing dialogue with community partners on charitable projects and planning for employee volunteerism, and weekly as employees hold positions with local groups.
	Collaboration and social investments where we operate and in support of broader society	
Policy groups and industry associations	Membership participation across the globe	Our participation in industry groups includes monthly, quarterly and annual meetings, events and engagement to advance best practices and policy positions.
	Working groups, committees, and public-private partnership activities in industry groups and associations	
	Leadership and committee positions that extend and strengthen organizational capabilities	
Universities, Institutions, and NGOs	Connections, collaborations and partnerships on a variety of shared business, industry, social and environmental interests globally	We participate in multiple opportunities to collaborate with institutions and organizations on public policy, regulations, technology roadmaps, and a variety of research projects.

Corporate governance and ESG

At Baker Hughes, our corporate governance structure is designed to facilitate adherence to best practices and promote the highest standards of integrity across the organization. Our commitment to People, Planet and Principles is embedded at every level, with oversight by our Board of Directors.

Principles of conduct by which we govern our business affairs

- Bylaws
- Governance Principles
- Board Committee Charters
- Code of Conduct and related policies

Our Board of Directors

Operating responsibly and with accountability to serve the best interests of our stakeholders requires sound corporate governance, and that commitment begins with our Board of Directors. Our Board is led by our Chairman, President and CEO, Lorenzo Simonelli. As required by our Governance Principles, our independent directors also elected an independent lead director, W. Geoffrey Beattie, who regularly meets with the Chairman, leads meetings of the independent directors and has a clear set of additional comprehensive duties that provide an effective check on management. Our Board has determined that the current Board leadership structure provides the appropriate balance between aligned focus on strategic execution and independent Board oversight.

Collectively, our Board demonstrates leadership and a substantive understanding of domestic and international considerations and geopolitics relevant to our strategy as an energy technology company. Our Governance and Nominating Committee, which recommends director candidates for annual election, strives to maintain a Board with varied expertise and perspective, and that reflects diversity, including but not limited to gender, ethnicity, background, and experience.

As part of our ongoing commitment to board refreshment and diversity, we added two new directors, Nelda Connors and Cynthia Carroll, to our Board in May 2020. Their strong industrial and international experience align with our integrated portfolio, contributing valuable insight to the Board as part of its strategic oversight responsibilities.

The Stockholders Agreement entered into with GE in July 2017, as further amended, sets forth a number of minority stockholder protections and additional corporate governance requirements. Among other terms, GE has the right to designate one director for nomination by the Board for election until GE no longer beneficially owns at least 20% of the voting power of our outstanding Common Stock.

BOARD HIGHLIGHTS

Our directors exhibit an effective mix of skills, experience, diversity, and perspective.

GENDER DIVERSITY



AVERAGE DIRECTOR AGE

59
Years Old

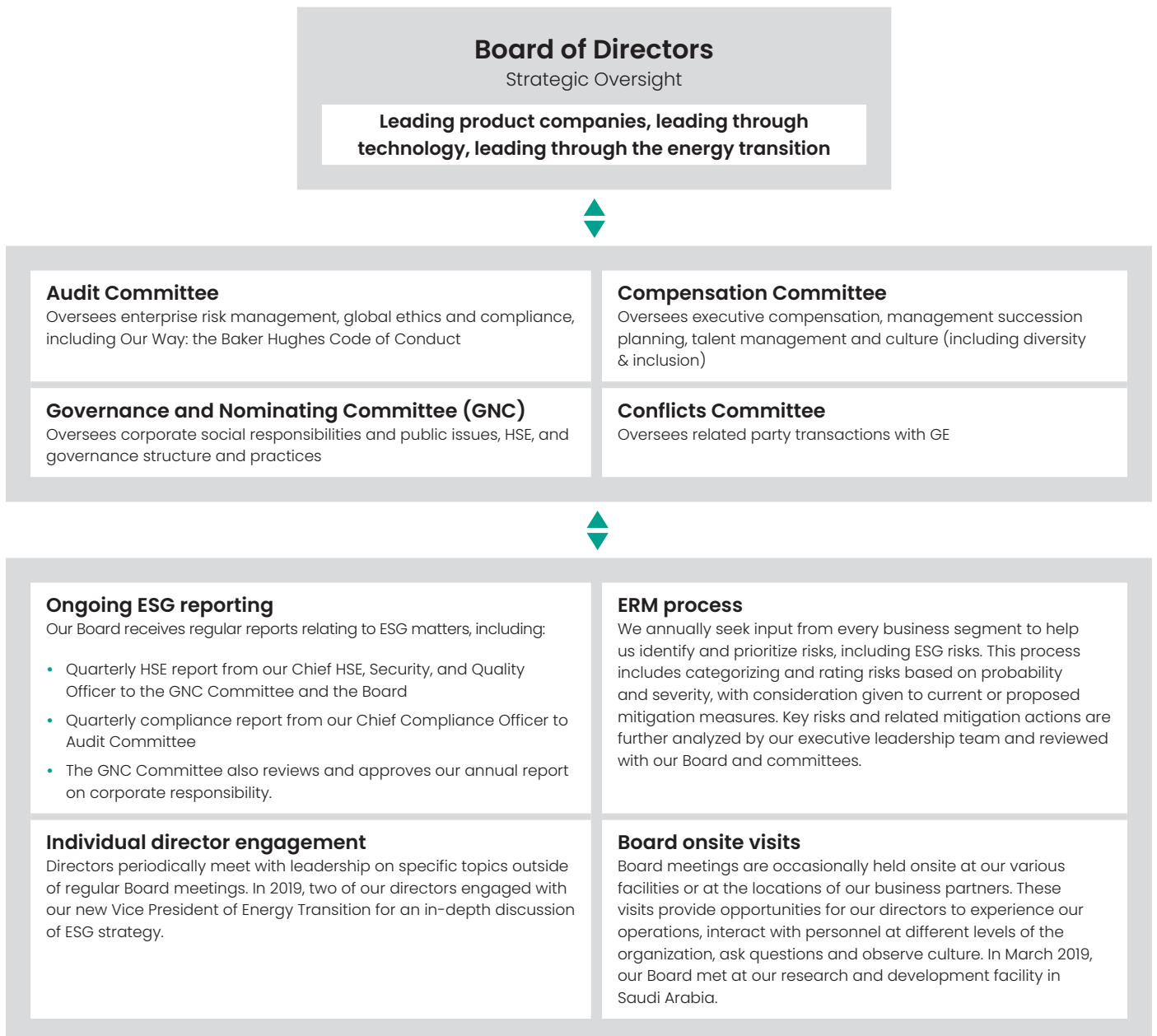
AREAS OF EXPERTISE



Board oversight of People, Planet and Principles

Our company strategy is underpinned by our sustainability framework, and accordingly our Board’s oversight responsibilities require ongoing, in-depth consideration of economic, social, and environmental risks and opportunities. Our strategy to become a leader in the energy transition is a consistent area of Board focus, extending beyond the annual Board strategy session usually held in July, and reviewed as part of every operational assessment and Board deliberation.

While our full Board oversees and guides our strategic direction, primary oversight for many of our People, Planet and Principles priorities, including corporate responsibility, governance, and environmental, health and safety matters (together, ESG), has been delegated to the Governance and Nominating Committee. In addition to assessing our material impacts and discussing associated risks with management, the Governance and Nominating Committee reviews and considers stakeholder feedback on ESG topics and our Compensation Committee oversees human capital management, including inclusion and diversity. Other committees of the Board oversee additional People, Planet and Principles priorities within their subject matter, including related risks assessed and evaluated as part of our Enterprise Risk Management (ERM) review process.





Leadership responsibility

Primary responsibility for developing, managing, and executing our strategy, including our People, Planet and Principles priorities, rests with our management team. In 2019, we formalized our ESG management structure with designated executive sponsors that report to the Board. We also appointed Allyson Book, Vice President of Energy Transition, to oversee our energy transition strategy and serve as the primary point of contact on day-to-day ESG matters. Ms. Book chairs our newly formed ESG Steering Team that, together with subject matter working teams, manages our ESG priorities, sets goals, monitors our progress, and coordinates our ESG reporting.

Governance and Nominating Committee



ESG Executive Sponsors

Michele Fiorentino

Executive Vice President, Strategy and Business Development

Kevin Wetherington

Chief HSE, Security, and Quality Officer

Regina Jones

Chief Legal Officer

Russell Wilkerson

Chief Corporate Affairs Officer

Deanna Jones

Chief Human Resources Officer

Brian Worrell

Chief Financial Officer

ESG Steering Team

Led by Vice President of Energy Transition

Horizontal coordination and reporting of ESG work across the company

Working Teams



Planet



People



Principles



Reporting

Aligning compensation practices with our priorities

Our executive compensation program is designed to attract, motivate and retain our executives, who are critical to our strategic success. We are committed to a pay for performance philosophy, and we design our compensation programs to support our long-term strategy and to align the interests of our executives and our shareholders. Our executive compensation framework emphasizes performance-based compensation, and focuses our leaders on the achievement of certain financial goals and progress against strategic imperatives.

Approximately 88% of Mr. Simonelli's target total compensation is performance-based and at risk. Our other named executive officers have an average of 81% performance-based and at risk compensation.

Our incentive-based compensation plans balance financial metrics with quantitative and qualitative performance goals. Payouts under our annual bonus plan in 2019 were weighted 70% based on achievement of formulaic, financial metrics and 30% based on achievement of strategic goals. The strategic objectives included several of our People, Planet and Principles priorities, demonstrating our Board's commitment to our sustainability framework. Our Compensation Committee specifically considered, among other metrics, performance related to "Perfect HSE Day" improvement, increased leadership supporting compliance first culture, development of low carbon emissions strategies, and focus on diversity and inclusion.

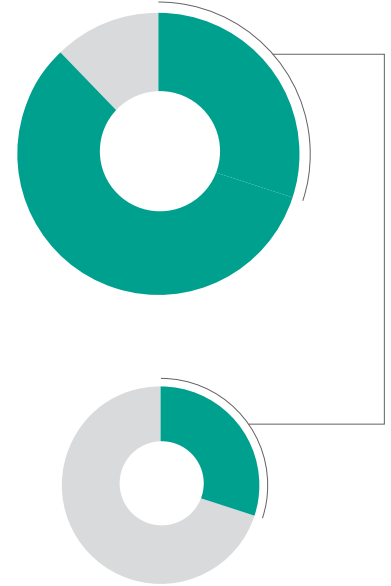
A more detailed discussion of our executive compensation program is available in our 2020 proxy statement.

Contacting the Board

To provide our shareholders and other interested parties with a direct and open line of communication to the Baker Hughes Board, shareholders may communicate with any member of the Board, including our independent lead director, the chair of any committee or with the non-management directors of the company as a group, by sending such written communication to our Corporate Secretary, c/o Baker Hughes Company, 17021 Aldine Westfield Road, Houston, Texas, 77073, USA.

88%

of CEO compensation is performance-based and at risk



Of the 88% performance-based compensation,

30%

is based on achievements of strategic objectives, including those aligned with the People, Planet and Principles priorities



Planet

Energy and climate 21

Low carbon solutions for customers 23

Dedicated to sound environmental practices 25



Planet

Energy and climate

At Baker Hughes we are committed to meeting the world's growing energy needs while reducing the greenhouse gas emissions that contribute to climate change. Scenarios from the International Energy Agency, an intergovernmental organization, forecast that global energy demand could grow by as much as 25 percent over the next 20 years. Baker Hughes is addressing this challenge by reducing our own emissions, and developing technology solutions to help our customers produce cleaner and more efficient energy to meet the world's growing demand.

Our commitment to carbon emissions reduction

In January 2019 Baker Hughes announced a bold new commitment to reduce greenhouse gas emissions. We committed to:



SUSTAINABLE DEVELOPMENT GOALS



31%

reduction in Scope 1 and 2 carbon emissions (versus 2012 baseline)

14.5%

of electricity from renewable sources

>500

energy assessments

Since announcing our carbon reduction commitment we've implemented a number of improvement programs to address our operational carbon emissions, including:

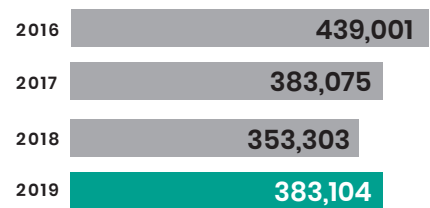
- Conducting training to help employees understand our carbon commitment and ways to contribute.
- Completing more than 500 facility energy audits and weekend energy walk-throughs at our sites around the world.
- Expanding the use of renewable energy at our offices and manufacturing facilities.
- Expanding the scope and rigor of our greenhouse gas emissions reporting program.

Through year-end 2019 our Scope 1 and 2 carbon equivalent emissions were 31% lower than our 2012 baseline. Emissions increased slightly over the prior year primarily driven by an increase in activity (an additional \$0.9B in revenue) and expanding the boundary of what is reported in Scope 1 emissions to include additional vessels, vehicles, and facilities. However, most of these increases were mitigated by progress made throughout the year through the programs reported above.

We remain committed to our goal of achieving a 50% reduction in Scope 1 & 2 emissions by 2030. We expect some fluctuation of emissions from year to year due to dynamic market conditions and changes in activity levels, however our overall emissions trend over time is in line with achieving our 2030 goal.

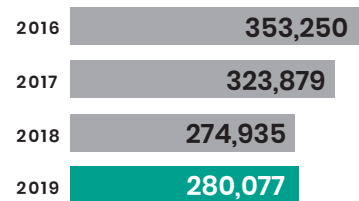
Scope 1 Greenhouse Gas Emissions

METRIC TON CO₂E



Scope 2 Greenhouse Gas Emissions

METRIC TON CO₂E



Through year-end 2019 our Scope 1 and 2 carbon equivalent emissions were

31%

lower than our 2012 baseline.

Powering our global facilities with renewable energy

Baker Hughes has implemented projects over several years to increase the percentage of renewable energy used by our global facilities where it is feasible and cost-effective. We employ wind power at our sites in the United Kingdom; hydroelectric power in Celle, Germany; and on-site solar power at sites in Billerica, Massachusetts; Minden, Nevada; and Vibo, Italy among others.

In 2019 we announced a new agreement to purchase renewable electricity for our facilities in Texas, our largest global region for energy consumption. The renewable power agreement will eliminate a substantial portion of the company's global carbon equivalent emissions over the 10-year term of the agreement.



Measuring Scope 3 emissions

Baker Hughes has reported Scope 3 emissions within a limited boundary as part of our CDP (formerly known as the Carbon Disclosure Project) report. The boundary has been defined as travel-related emissions and some portions of our logistics footprint such as international shipping. Calculating Scope 3 emissions is a complex and challenging task given the many parties involved, variety of calculation methods used, and the potential for double-counting emissions. Following the announcement of our carbon reduction commitment Baker Hughes has initiated a project to quantify an expanded set of Scope 3 emissions that will include supplier, customer, and employee carbon emissions impacts with the goal of setting a Scope 3 emissions reduction target. This effort will require outreach and collaboration across our value chain, and we believe it will identify many opportunities to reduce Scope 3 emissions for our company and our partners. Our aim is to report expanded Scope 3 emissions data with a broader boundary in 2020.

Baker Hughes has initiated a project to quantify an expanded set of Scope 3 emissions that will include supplier, customer, and employee impacts.

Low carbon solutions for customers

In 2019 we commercially deployed a portfolio of low carbon solutions, and we will continue to develop new technology to help our customers meet their emissions reduction goals.

Methane monitoring and detection

Methane is one the greatest emissions reduction opportunities. Our technologies include methane detection and monitoring, flare optimization, and no-bleed valve technology to reduce process venting.



Low to zero emissions solutions

We design products and services to operate with lower emissions, simpler logistics, and fuel flexibility. Some examples include the LM9000 gas turbine, the Integrated Compressor Line, and the Aptara Subsea System. We are enabling remote operations, monitoring and services to reduce environmental footprint, HSE risk, and cost.



Quantification and verification

We provide services and technology to help our customers measure and verify their emissions, conduct lifecycle assessments, and develop reduction plans through our Gaffney Cline carbon management practice and BHC3.ai.



Alternative energy services

We provide reliability services for renewables and alternative energy industry. Our condition monitoring services are deployed on more than 30,000 wind turbines and hydroelectric dams around the world. We offer services for geothermal energy systems, and X-ray inspection of lithium ion batteries.



Carbon emissions lifecycle assessments

To understand the true carbon footprint of a product means looking at the entire lifecycle, from raw materials, to manufacturing, to use, and ultimately disposal. The process of quantifying this impact is known as a lifecycle assessment (LCA). In 2019 we conducted our first comprehensive product lifecycle assessments aligned with the ISO 14067:2018 standard. Beginning in 2019, we have been working on LCA's on products as diverse as drill bits, gas turbines, and subsea trees. By understanding how emissions occur throughout the life of a product, we are able to identify carbon reduction opportunities in the sourcing, material choice, manufacturing processes, design, and disposal of our products.



Innovating for the future of energy

We are committed to investing in the future of energy technology. In 2019 we invested \$678M in research and development and were granted 2,700 patents.

Some of our most promising research areas include:

Carbon capture, use, and storage (CCUS) – Baker Hughes has been involved in CCUS projects for more than a decade. Our product development focus is on improving the economic viability of CCUS projects at scale and applying our core technologies across other industrial sectors.

Hydrogen – Our pioneering work on hydrogen fueled turbines can be a key enabler of zero carbon energy systems.

Energy storage – Reliable, scalable storage capacity is a key challenge for renewable power systems. Baker Hughes technologies can enable liquid air, compressed air, and battery storage systems.

Artificial intelligence – Through our partnership with BHC3.ai we are developing advanced digital tools to monitor energy use and identify areas for greater efficiency.

Additive manufacturing – Our global network of additive manufacturing facilities are pioneering new approaches to manufacturing and supply chain management. In 2019 we printed 10,000 parts, with more than 200 qualified part designs.

\$678M

invested in research and development in 2019

2,700

patents granted in 2019

10,000

3D printed parts produced in 2019

Carbon capture, use, and storage

Carbon capture, use, and storage removes carbon dioxide from point emission sources for storage in secure underground reservoirs or industrial use. CCUS is an essential technology to lower the emissions of hard-to-decarbonize sectors like oil refining, petrochemicals, and cement. Approximately 20 CCUS facilities operate globally today. Industry analysts believe CCUS capacity must grow substantially to meet the goals of the Paris Climate agreement.

Baker Hughes was an early entrant into the CCUS industry. Our technology is deployed in the world's largest CCUS project in Australia. As an energy technology company Baker Hughes is uniquely suited to offer solutions from capture to storage to digital monitoring.



Reducing deforestation and habitat loss

Deforestation is a pressing issue that impacts biodiversity, climate, and traditional societies. The Baker Hughes Foundation has partnered with The Nature Conservancy and other companies to address deforestation in Indonesia and Brazil, two key regions for our company. The combined efforts of our multi-company consortium have resulted in improving the management of 25 million acres of forest, including 1 million acres of critical orangutan habitat. We advanced a historic green growth compact, a partnership among government, companies, and communities to reduce deforestation and greenhouse gas emissions. This included expanding solutions for sustainable natural resource management, including reduced-impact logging and low-emission oil palm development.



Dedicated to sound environmental practices

We are dedicated to operating with sound environmental practices and protecting the planet. Our environmental management system includes policies, procedures, and reporting to improve water quality and conservation, protect the land and its biodiversity, use materials wisely, maximize recycling and reuse, and practice sound waste disposal. We mitigate the environmental risks of our activities through robust practices and procedures and share performance globally.

71%

reduction in total spill volume year over year

Reducing waste and promoting recycling

Using resources wisely is a key part of our management system and our operating strategy. We strive to reduce our volume of waste and increase the recycling of materials. We also repurpose or recycle our electronics broadly across our global operations.

By sharing digital reports of slow moving inventory across our global manufacturing and service community we are able to utilize parts more efficiently, reduce inventory volumes, and avoid disposal of materials.

Increasing the use of recycled materials and designing equipment with end-of-life in mind is an area we are striving to improve in future years.

Protecting land and water

Baker Hughes is committed to water conservation and protecting scarce resources. Due to the nature of our operations, our current use of water does not significantly impact the availability of water in the regions where we operate. More than 99% of our water is withdrawn from and discharged to municipal water systems.

Engineering controls and improved systems and processes represent the most effective spill mitigation measures across Baker Hughes. We reduced our total spill volume by 71% in 2019 as compared to 2018 levels. As part of our environmental management system of spill incidents, we conduct formal investigations and implement corrective actions to prevent reoccurrence.

We strive to operate responsibly and protect the environment everywhere we operate, and particularly when operating near sensitive areas.

We aim to hold our suppliers and partners accountable for their environmental performance as well. Our supplier onboarding process includes environmental criteria for air and water emissions, solid waste and hazardous materials, and we audit suppliers on their environmental performance using risk-based methods.

COMMUNITY IMPACT

Caring for our environment



In Brazil, our team in Niterói conducted a community open house for World Environment Day to showcase conservation and waste reduction programs.



In India, we worked with The Nature Conservancy to conduct a desilting project on a local water reservoir that significantly increased the water supply for the Coimbatore district.

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People

Inclusion and diversity

At Baker Hughes, we are shaping the future of the energy industry – and that future belongs to all of us. We believe the ability to leverage different ideas and perspectives fuels innovation and makes us stronger. We celebrate the diversity and uniqueness of each employee and believe that everyone has the right to be treated with fairness, dignity, and respect. We build this culture together by living our values of Grow, Collaborate, Lead, and Care. We are taking energy forward.

Inclusion and diversity council

Our executive Inclusion and Diversity council meets on a quarterly basis to track progress against our goals, and to identify new opportunities to create a more inclusive and diverse culture.

At large members



Maria Claudia Borrás
Executive Vice President,
Oilfield Services



Deanna Jones
Chief Human
Resources Officer



Regina Jones
Chief Legal Officer



Andrea Pinnarelli
Vice President,
HR-Digital Solutions

ERG executive sponsors



Amar Barua
Sr. Vice President,
OFS Finance
Asian Pacific American Forum



Toby Begnaud
Sr. Vice President, OFS Comp
and Well Intervention
Veterans



Rod Christie
Executive Vice President,
Turbomachinery &
Process Solutions
Enabled



Jennifer Hartsock
Chief Information Officer
Pride@Work



Alejandro Hernandez
Vice President,
OFS Latin America
LatinX



Maria Sferruzza
President, GO APAC region
Multicultural



Uwem Ukpog
Executive Vice President,
Regions, Alliances &
Enterprise Sales
African American Forum



Kevin Wetherington
Chief HSE, Security, and
Quality Officer
Women's Network

SUSTAINABLE DEVELOPMENT GOALS



Employee Resource Groups

Employee Resource Groups (ERG) have a powerful influence on building awareness, change, and community. ERGs give a voice to groups who may otherwise be unheard and help elevate conversation and awareness around key issues. They create a sense of belonging and help us build a stronger, more diverse work environment. They take an active role in company priorities, employee engagement activities, and community service in the communities where we operate.

We recently relaunched our ERG community to bring together our affinity groups into a common framework. At year end 2019, we had 3,217 members enrolled into the groups and now have 5,215 members. This effort has reenergized our diversity and inclusion focus, and fostered closer connections between employees in communities around the world. Our ERGs sponsor programs to provide support and resources for their members and the company as a whole on topics such as wellness, mindfulness, and career development.

35%

of US employees in minority groups

17%

of women in workforce

21%

of women in senior leadership

Our Employee Resource Groups

	African American Forum (AAF)		Asian Pacific American Forum		Enabled		LatinX
	Multicultural		Pride@Work		Veterans		Women's Network

A global workforce

As an energy technology company with operations around the world, our global workforce is an important strength. More than 75% of our employees live and work outside the U.S. in 184 different countries. We believe in developing local leaders in the communities where we operate. 62.4% of our senior leaders and 47.7% of our senior executives live outside the U.S. This diversity of global perspectives makes our company stronger, more resilient and more responsive to our global customers.

\$132M

spent with diverse suppliers and small businesses

Developing a diverse and localized supply chain

Baker Hughes values the importance and business value of cultivating a diverse supply chain, and contributing economically to the communities where we operate. Building strong and diverse local relationships promotes economic development, supply chain resilience, and equitable societies.

In the U.S. we made strides to quantify and increase our spend with certified enterprises that are majority owned and operated by minorities, women, veterans, LGBT, and small businesses. In 2019, our U.S. spend with diverse suppliers and small businesses was \$132M, a 13% increase over the prior year.

Internationally, we focus on increasing local content and local spend in the countries where we operate. Recently, we were awarded with the In Kingdom Total Value Add award in Saudi Arabia for "Best in Supplier and Small and Medium Enterprises Development".

To achieve these results, we integrated supplier diversity tracking to a common system, established supplier diversity champions in each of our four product companies, and launched pilot programs to increase diverse supply of targeted commodities and repair materials.

Workforce development

Improving the employee experience

Work was underway throughout 2019 to make improvements to human resources systems and programs, simplify user interfaces, strengthen privacy, and improve access to information for all employees. We believe that a simplified, consistent, and transparent approach to human resource systems, policies, and practices is central to improving the employee experience and offering a compelling employment value proposition. These efforts were the culmination of our integration of Baker Hughes and GE Oil and Gas legacy systems. The impacts can be felt across our payroll, benefits, performance management, talent management, and learning programs.

Attracting the talent we need for the future

Baker Hughes aims to attract the best and most diverse talent to support our energy technology mission. In 2019 we conducted internal and external research to inform our employment value proposition for candidates. This enabled us to deploy talent acquisition strategies across multiple industries to hire 9,900 external candidates in 2019. This talent ranged from recent graduates through to experienced executives. We improved the candidate experience by digitizing our onboarding process and utilized AI technology in our sourcing tools to help us reach, assess, and engage with a larger and more diverse talent pool.

We enacted a number of new initiatives to support our global goal of increasing the number of diverse candidate slates. We conducted training on unconscious bias, and launched pilot projects on blind resumes and debiasing job descriptions, interview templates, and assessments. We expanded our talent acquisition focus to include executive search services and implemented a contingent workforce management tool allowing us to maximize the gig workforce.

Total rewards

Baker Hughes offers competitive compensation and benefits to all our employees and we regularly reassess our total rewards through benchmarking with our industry and local market comparison groups. A majority of our benefits are tailored by location to meet the specific needs of our people, their families, and their communities. Healthcare plans and life insurance are a core benefit of the company and are provided in all countries globally.

Baker Hughes offers various leaves of absence for certain quality-of-life needs, including family care and personal leaves. To assist and support new parents with balancing work and family matters, in most countries that Baker Hughes operates, the company provides paid leave to all employees (females and males) for the birth or adoption of a child. This typically exceeds local requirements. For example, in the U.S., employees may take up to eight weeks paid parental leave.



450

employees in leadership accelerator programs

5,400

employees completed leadership training courses

Learning and development

Continuous learning is a key priority at Baker Hughes. We empower our employees to follow their passion for personal knowledge and domain expertise to develop the skills needed for professional and personal growth. In 2019, 5,400 employees participated in leadership training courses. In addition, across the organization employees completed more than 275,000 HSE training sessions. We offer more than 400 unique HSE courses including foundational training for all employees, workplace and job-specific training, and human performance leadership training for manager.

Leadership accelerator programs

In 2019, more than 450 Baker Hughes employees were selected to participate in leadership accelerator programs.

ASPIRE is a two-year rotational program for recent graduates and early-career employees to grow functional and leadership skills through challenging assignments, learning plans, and global cross-functional projects. Aspire program participants also organize community outreach projects. In 2019 Aspire program members conducted 24 fundraising events and contributed more than \$20,000 to community causes. In 2019 the Aspire program was made up of more than 300 people representing 43% gender diversity and 58% of participants from outside the U.S.

IMPACT is a three-year leadership accelerator for top performing mid-career employees who have already built functional expertise and are ready to be developed into our executive pipeline. Participants deliver results and build leadership competencies through global cross-functional assignments and tailored learning and coaching. Impact program members act as change agents for strategic company priorities. In 2019 the Impact program consisted of 36 leaders representing 43% gender diversity and 73% of participants from outside the U.S.

CULTIVATE is a one-year non-rotational program that fosters the development of high potential female leaders through immersive learning experiences and one-on-one mentoring. The Cultivate program is made up of 80 members across our technical functions with 50% of participants from outside the U.S.



Supporting our communities

Baker Hughes believes in contributing to the communities where we live and work by sharing our time, talent, and resources. We are connecting globally and locally in new ways to drive scale and speed on solutions to humanity's biggest challenges.

Our community outreach programs are aligned with our material impact areas of climate, education and workforce development, and health and safety. We contribute in a variety of ways, including The Baker Hughes Foundation, direct corporate contributions, in-kind donations of goods and services, employee contributions, and volunteer hours.

Our focus areas

Education and Training

Education provides a powerful tool for reducing poverty, inequalities, and for sustained economic growth.

ACTION AREAS

- STEM and computing in K-12
- Workforce skills training, particularly for underserved communities

Climate and Environment

Contributing to environmental quality, habitat restoration, and biodiversity promotes a cleaner world for us all.

ACTION AREAS

- Wetland conservation and coastal resiliency
- Forest conservation and reforestation
- Clean cities, beaches, and deserts

Public Health and Safety

Improving and protecting public health and well being, with an emphasis on prevention, strengthens communities.

ACTION AREAS

- Human rights
- Maternal health and child wellness
- First responders
- Humanitarian and disaster relief

2019 IMPACT

29,673

employee volunteer hours

\$25,680,547

Total contributions

\$2,166,125

Financial contributions

\$23,514,000

In-kind contributions

STEM education through the FIRST Global Challenge

Through the Baker Hughes Foundation, we are committed to advancing STEM education around the world. One of the greatest examples is our multi-year partnership with FIRST Global to promote STEM opportunities around the world with a special focus on females and underserved populations.

The FIRST Global Challenge program engages global teams of students and their volunteer mentors to design and build robots to compete in tournaments. Along the way students develop a wide range of skills including project management, fundraising, coding, engineering, and teamwork.

In 2019 the FIRST Global Challenge engaged more than 2,500 students and 800 volunteers from 191 countries.



COMMUNITY IMPACT

Caring about education



In South Korea, our Women's Network partnered together with the Center for Women in Science, Engineering, and Technology to host a mentoring program for female engineering and science students. The program included career coaching, mock interviews, guest speaker sessions on entrepreneurship, tours of our facilities, and educational sessions.



In Buenos Aires, Argentina, our employees offered petroleum engineering education and career counseling for university students.



In the U.S., we announced a new partnership with Lone Star College and the Texas Workforce Commission to fund students in full for the first cohort to begin a successful career as a Field Service Technician in the energy industry.



In Montrose, Scotland, Baker Hughes signed a memorandum of understanding with the Angus Council to promote workforce development and community engagement.



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Principles

Health and safety

Achieving our Perfect HSE Day

Health, safety, and environmental (HSE) excellence is a core part of our operating culture both at Baker Hughes sites and when working at customer and partner operations.

Our Perfect HSE Day remains the cornerstone of our HSE efforts, and we celebrate every work day we complete with no injuries, accidents, or harm to the environment. We achieved 161 Perfect HSE Days in 2019, a 5% increase from the prior year. Our total recordable incident rate improved by 12.5% versus the prior year, and is 68% lower than the average for our industry.

We were gratified that no work-related fatalities occurred during 2019 and our lost work incident rate improved slightly from the prior year. Still, we believe that one injury is too many and we remain fiercely committed to improving our workplace safety practices and culture every day.

Learning from experience

In addition to measuring safety performance outcomes, we use leading indicators such as observations, near misses, and stop work events to measure the health and maturity of our systems and to identify hazards. All employees are encouraged to take an active role in promoting a positive safety culture.

Leadership engagement

We believe active leadership engagement is a key contributor to a strong safety culture and so we promote global programs to engage our leaders in HSE management through training, participation, and audits. We increased our leadership engagement in all areas in 2019, engaging 61% of our global people leaders in conducting 67,726 HSE engagements – a 69% increase versus the prior year.

SUSTAINABLE DEVELOPMENT GOALS



2019 IMPACT

We increased our HSE engagements by

69%

over 2018

1,084,627

HSE observations conducted

67,726

leadership HSE engagements

HSE Management System

The Baker Hughes HSE Management System is an enterprise-wide framework that drives continual improvement in our HSE performance and legal compliance in our facilities and operations worldwide. Our management system comprises 15 elements and operational control procedures that detail the minimum standards for controlling safety and environmental risk in our operations. Our HSE Management System aligns with the requirements of ISO 14001, the Environmental Management System standard; and ISO 9001, the Quality Management System standard.

Health and wellness

Our commitment to HSE goes beyond safety alone. Occupational health and wellness is a key competency managed within our HSE center of excellence. The importance of physical health, ergonomics, preventative health care, and mental wellness cannot be overstated in promoting a healthy, engaged, and productive workplace. Both for employees who are working on site, and for employees who work remotely, health and wellness programs are crucial. We work with our health benefits provider and internal teams to offer employees health and wellness programs, telemedicine access, smoking cessation programs, health screenings, immunizations, fitness reimbursements, and virtual wellness tools. Our employee resource groups and employee organizations organize healthy lifestyle events such as walks, runs, and virtual fitness programs to connect people and promote health and wellness.

[LEARN MORE ABOUT OUR HSE POLICY](#)

[BAKER HUGHES WEBSITE](#) ↗

LOOKING AHEAD TO 2020

Our response to COVID-19

During the preparation of this report, the COVID-19 pandemic has made a profound impact on the world and our industry.

As a global energy technology company and an international employer, we are taking important steps to reduce the risk of spread and infection, as well as mitigate the impacts to our business operations, our employees, and the communities in which we operate. We continue to be guided by our values and our commitment to health and safety.

Our workplace has changed dramatically since the start of the pandemic. Employee well-being has remained a crucial priority, and we are continuing to equip our leaders and employees with resources to adapt in this environment. Many employees are working remotely, and we have set up processes for them to collect items from the workplace to improve their at-home ergonomics. For those who are required to be onsite to provide essential energy services, we have reinvented the workplace and put new systems in place to ensure their health and safety. This includes requiring face coverings at all of our facilities globally. In addition, our global health and learning teams are hosting virtual health and fitness programs for all employees, and we have a number of resources and activities available to support mental well-being.

Further, our teams are continuing to come up with new and innovative ways to meet our customers essential needs safely and efficiently – and in some cases remotely – and our employees continue to care for each other and support communities with great acts of courage and kindness. People have come together to conduct virtual fundraisers and virtual volunteer drives for people in need. Our global manufacturing teams have 3-D printed and donated more than 50,000 medical and protective parts to help meet shortfalls at hospitals and medical facilities.



Ethical supply chains

Baker Hughes' supply chain is large and diverse as we source materials from more than 180 countries. Our spend is divided into direct and indirect materials. Direct materials are the components that are incorporated into the products and services that we sell. The largest categories of direct material purchases are castings, forgings, electronics, and machined parts.

We also buy products and services to support our business operations, which are used to develop or create, but are not incorporated into, our products or services. These are referred to as indirect purchases. They range from tools and supplies to telecommunications and professional services.

Suppliers are critical partners in our value chain, and maintaining an ethical supply chain is essential. Our Supplier Integrity Guide governs all aspects of our relationships with suppliers, contractors, consortium partners, and consultants. It includes specific requirements for fair employment practices; health, safety, and environment; and human rights. Our suppliers are required to hold their own suppliers to equivalent standards.

Qualifying our suppliers

In 2019, we renamed the Baker Hughes Supplier Responsibility Guidelines (SRG) Program to the Baker Hughes Supplier Social Responsibility Program (SSRP) to better reflect Baker Hughes' commitment to social responsibility and ethical practices across our supply chain. We continued integrating all relevant legacy Baker Hughes suppliers into our common SSRP onboarding process.

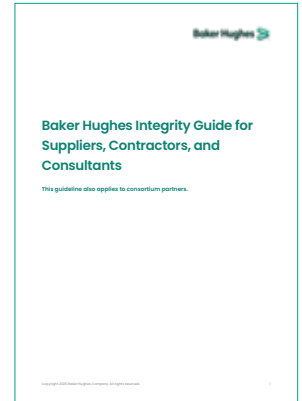
As part of the SSRP onboarding process, 100% of our suppliers are assessed for social risks.

Assessment: We take a risk-mitigation based approach to our supply chain monitoring program to identify suppliers based on country risks, the supplier's past performance, and other factors. We look to continuously improve our risk profiling by further identifying additional risk factors, such as process risks, to include in our reviews. Additionally, pre-engagements and on-site periodic assessments follow an "Eyes Always Open" policy for our teams to be alert to potential violations during any supplier visit.

Verification: Suppliers identified as high risk are subject to audit by our trained auditors. These auditors conduct on-site audits on a one- to three-year basis, using a global questionnaire and risk-weighting metrics. Spot checks are also carried out.

Requirements: Our Supplier Integrity Guide specifically prohibits activities associated with human trafficking, such as withholding passports, charging recruitment fees, and misleading recruitment. Our guide also imposes certain affirmative obligations on suppliers, such as a requirement to reimburse workers for transportation costs, and to provide workers with written contracts in a language they understand. The guide encourages open and direct reporting.

Accountability: All assessment findings from on-site inspections are recorded in our automated assessment tracking tool. This tool monitors each assessment finding until it is closed, which occurs only after the supplier provides evidence that all noted findings have been corrected. Our target is to close 90% of audit findings within 90 days. New suppliers will not be issued purchase orders, and existing suppliers' purchase orders will be suspended, if findings remain open beyond this timeframe. Business relationships can be suspended immediately in the case of serious labor-related findings, such as evidence of child labor or forced labor.



SUPPLIER INTEGRITY GUIDE

2019 IMPACT*

590

Supplier audits with a total of

3,301

findings reported.

About

64%

of total assessments were reassessments.

96%

of serious findings were closed within 90 days

55

suppliers were rejected as a result of the SSRP audit.

* Ethical supply chain data was supplied by Gensuite as a snapshot in time as of Dec. 31, 2019

Training: We have 145 trained SSRP auditors with the opportunity of all employees to take SSRP Awareness training and Eyes Always Open training. Each one of our trained employees is empowered to raise concerns they may have on supplier expectations, human rights issues and on-site due diligence requirements.

Since 2005, employees trained in the SSRP program from legacy Baker Hughes companies have conducted supplier assessments across 100 countries. We drive better outcomes through our collaboration and partnership with suppliers and other stakeholders. Working together with suppliers, customers, governments, industry partners, academic institutions, and non-governmental organizations, we can achieve holistic progress in human rights more than any one sector can accomplish alone.

Integrity and compliance

At Baker Hughes, ensuring integrity and compliance is a foundational element of our culture and a business priority. We set high expectations outlined in our code of conduct, and reinforced through our leadership. Our global ethics and compliance program is designed to prevent, detect, and appropriately respond in a timely fashion to any potential violations of the law, company policies, or our code of conduct.

In November 2019 we launched Our Way, the newly refreshed Baker Hughes Code of Conduct. The code of conduct is titled “Our Way” because it is premised upon doing things the right way, the ethical way, and the compliant way. It’s in our DNA to act with integrity in all that we do, and our code of conduct reflects that core belief. By consistently demonstrating this commitment; we distinguish ourselves in the industry and strengthen the trust between us, our employees, customers, suppliers, and the public; maintaining our reputation as a responsible business. Our Way serves as a reminder that as we take energy forward, we are expected to act with integrity in all that we do.

We are committed to ensuring that employees, suppliers, and partners understand and conduct their activities in accordance with our code of conduct. We take active steps to offer global learning courses in various formats and languages so that our integrity and compliance expectations are clear and understood. In 2019, we offered tailored courses in many areas, some of which are included below:

- | | |
|--------------------------------------|--------------------------------------|
| 1 HSE | 8 Conflicts of interest |
| 2 Improper payments and anti-bribery | 9 International trade compliance |
| 3 Working with governments | 10 Intellectual property |
| 4 Controllership | 11 Fair employee practices |
| 5 Supplier relationships | 12 Anti-money laundering |
| 6 Securing operations globally | 13 Cyber security and privacy |
| 7 Competition law | 14 Insider trading and stock tipping |



OUR WAY: THE BAKER HUGHES CODE OF CONDUCT

Our Code of Conduct includes **our Anti-Bribery & Corruption policy**, which prohibits bribery in all business dealings, in every country around the world, with governments, employees of state-owned companies and the private sector, or anyone else whatsoever.

Our Anti-Discrimination policy, also included in Our Code of Conduct, prohibits discrimination or harassment against any employee or applicant based on race, color, religion, national or ethnic origin, sex (including pregnancy), sexual orientation, gender identity or expression, age, disability, veteran status or other characteristic protected by law. Our policy also prohibits retaliation for concerns raised in good faith.

Our global compliance program consists of the following key elements:

Compliance leadership

A global structure of compliance counsels and professionals provides advice, training, and support in places where Baker Hughes does business.

Review board

A Compliance Review Board, composed of senior officers of the company meets quarterly, as well as Product Company and regional compliance committees.

Risk Assessments

Regular compliance risk assessments focus on country and third party risks (including corruption risk), to identify opportunities for continuous improvement and resource allocation.

Employee training

Our comprehensive employee training program targets key risks that employees face on an ongoing basis. In 2019 a total of 59,464 employees, representing 94.2% of our workforce, completed ethics and compliance programs, including Code of Conduct training.

Open Reporting Environment

Employees are encouraged to report any ethics or compliance matters without fear of retaliation, including a global network of trained employee ombudspersons, a dedicated website where employees can raise anonymous concerns, and a worldwide, 24-hour integrity helpline operated by a third party and available in 150 languages.

It is important that our culture promotes and encourages employees to act with integrity, responsibility, and compliance every day. We believe that having a consistent commitment across the entire organization is fundamental to running a sound, successful, and sustainable business.

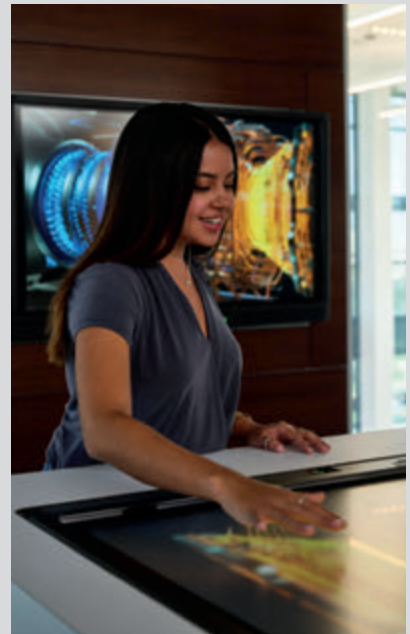
Privacy and cybersecurity

Baker Hughes takes security and data privacy very seriously. Given our global footprint and the increasing sophistication of cyber attacks, cybersecurity and privacy protection are a crucial part of our risk management and sustainability management systems.

Baker Hughes protects our digital systems and data through a comprehensive cybersecurity management program. We follow the NIST cybersecurity framework and conduct third party reviews of our program. We operate a comprehensive Cyber Fusion Center to coordinate resources, reduce incident response time and shift toward a proactive cyber defense model. In addition to hardening our own cyber defenses, we assist our customers in maintaining the security of their systems via our Nexus Control Systems business.

We comply with all applicable global privacy regulations in the markets where we operate, including the General Data Protection Regulation (GDPR) framework in Europe. During 2019 we conducted GDPR compliance training for employees whose roles involve handling customer data.

Our cybersecurity and data privacy program is conducted with board level oversight, and quarterly reports are provided to the Board of Directors.



Leading in quality

As a trusted leader in industry, we are committed to creating and delivering the best quality products, services, processes, and technology in the industry, as detailed in our Quality Policy Statement. We utilize our global Enterprise Quality Management System to standardize, track, and manage the “cost of quality” to reduce waste and improve profitability.

We also work so that everything we create is compliant with customer, statutory, regulatory, internal, and industry requirements, including product labeling and documentation. We aim to not just meet but to exceed these requisites by continually reviewing our processes to evaluate ways in which we can further improve on quality, safety, and performance.

Safeguarding human rights

Baker Hughes promotes respect for fundamental human rights as articulated in the United Nations Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work. We advance respect for fundamental human rights by leading by example in our business capacity, with our business partners, and in the communities where we operate.

As a global company with growth in emerging markets, and as a provider to energy infrastructure around the world, Baker Hughes regularly confronts complex human rights challenges. Our approach to those challenges starts with our Human Rights Policy Statement, which outlines our commitment to respecting human rights wherever we operate and to demanding the same commitment from our business partners. Human rights protections are operationalized throughout our business and included as part of the company’s Fair Employment Practices Policy, our Code of Conduct, and the Integrity Guide for Suppliers, Contractors, and Consultants. These policies are communicated to employees, suppliers, contractors, and consultants annually.

Employees, suppliers, contractors, and consultants are encouraged to report any ethics or compliance matter without fear of retaliation. Baker Hughes makes available a number of resources and avenues for reporting so that concerns are reviewed and addressed, as described in our Ethics and Compliance Program.



[LEARN MORE ABOUT OUR HUMAN RIGHTS POLICY STATEMENT](#)

[BAKER HUGHES WEBSITE](#)

[LEARN MORE ABOUT OUR QUALITY POLICY](#)

[BAKER HUGHES WEBSITE](#)

Policy advocacy and engaging with governments

Given the breadth and scope of our industry and our global footprint, senior leaders across our operations engage on a regular basis with public officials at all levels of government. At times, public policy can have a significant effect on our business. We believe it is in the best interest of Baker Hughes and our stakeholders that the business monitors, and that our perspective informs, the development of relevant public policies.

Our participation in the policymaking process is subject to an extensive framework of laws and regulations, as well as company policies and internal oversight that demonstrate our commitment to both the letter and the spirit of the laws governing our activities.

Baker Hughes may from time to time contribute to candidate or issue committees and other political organizations as generally authorized by its Board of Directors and consistent with applicable laws. Baker Hughes does not currently utilize a Political Action Committee. On an annual basis, the Governance & Nominating Committee reviews all corporate political contributions, as well as all non-deductible portions of payments in excess of \$50,000 made to trade associations. We publicly report information regarding our advocacy activities and political contributions.

[LEARN ABOUT OUR POLICY ON WORKING WITH GOVERNMENTS](#)

[BAKER HUGHES WEBSITE](#) ↗



We believe it is in the best interest of Baker Hughes and our stakeholders that the business monitors, and that our perspective informs, the development of relevant public policies.

COMMUNITY IMPACT

Promoting health, safety, and wellness in our communities



In Massa, Italy our teams engaged 10 local schools in a “Safe to be safe” project to promote safety practices at home and at school.



Hundreds of employees in Florence, Italy volunteered to support and raise funds for Dynamo Camp, a recreational therapy camp for children.



In Germany, employees of Waygate Technologies organized a holiday collection of durable food and drugstore items for the needy.



GRI Reporting Index and Data Summary

	Disclosure number	Disclosure title	Disclosure location and data
General Disclosures	102-1	Name of the organization	Baker Hughes Company
	102-2	Activities, brands, products, and services	Our corporate responsibility framework, page 12 Form 10-K, Business, pages 1-10
	102-3	Location of headquarters	17021 Aldine Westfield Road Houston, Texas 77073 The Ark, 201 Talgarth Road, London, W6 8BJ, United Kingdom
	102-4	Location of operations	Form 10-K, Properties, page 21
	102-5	Ownership and legal form	Form 10-K, Business, page 1 2020 Proxy Statement, Corporate governance page 21
	102-6	Markets served	2019 Annual Report Form 10-K Business, pages 1-10
	102-7	Scale of the organization	Form 10-K, Business, pages 1-10 Form 10-K, Properties, page 21 Form 10-K, Selected financial data, page 25 2020 Proxy Statement, Stock ownership pages 29-30
	102-8	Information on employees and other workers	People, page 29
	102-9	Supply chain	Principles, pages 36-37 Form 10-K, Business, pages 1-11
	102-10	Significant changes to the organization and its supply chain	Form 10-K, Business, 1-2
	102-11	Precautionary Principle or approach	Planet, pages 21-26
	102-12	External initiatives	Our corporate responsibility framework, page 14
	102-13	Membership of associations	We are members of a variety of organizations and associations including (but not comprehensive) American Petroleum Institute, International Association of Oil and Gas Producers, International Gas Union, Interstate Natural Gas Pipeline Association Foundation, and the Petroleum Equipment Suppliers Association.
	102-14	Statement from senior decision-maker	A letter from our CEO, page 4 A letter from our ESG Steering Team chair, page 6
	102-15	Key impacts, risks, and opportunities	A letter from our CEO, page 4 2019 corporate responsibility dashboard, pages 8-9 Our corporate responsibility framework, page 12 Form 10-K, Risk Factors, pages 12-20
	102-16	Values, principles, standards, and norms of behavior	Our corporate responsibility framework, pages 14, 16-18 Principles, pages 35, 38, 39-40 Proxy Statement, Corporate governance, page 21 and 26 Governance Principles Our Way: Baker Hughes Code of Conduct



	Disclosure number	Disclosure title	Disclosure location and data
General Disclosures	102-17	Mechanisms for advice and concerns about ethics	Principles, page 38 Our Way: Baker Hughes Code of Conduct Baker Hughes Supplier Integrity Guide
	102-18	Governance structure	Our corporate responsibility framework, page 17 Proxy Statement, Corporate governance, pages 25–26
	102-19	Delegating authority	Our corporate responsibility framework, pages 17–18
	102-20	Executive-level responsibility for economic, environmental, and social topics	Our corporate responsibility framework, pages 17–18
	102-21	Consulting stakeholders on economic, environmental, and social topics	Our corporate responsibility framework, page 15, 17 Proxy Statement, Corporate governance page 22
	102-22	Composition of the highest governance body and its committees	Our corporate responsibility framework, page 16 Proxy Statement, Proxy Statement Summary, page 11 Proxy Statement, Election of Directors, pages 13–18
	102-23	Chair of the highest governance body	Our corporate responsibility framework, page 15 Proxy Statement, Corporate governance, page 23
	102-24	Nominating and selecting the highest governance body	Proxy Statement, Election of Directors, pages 13, 19–20
	102-25	Conflicts of interest	Proxy Statement, Corporate governance, page 24 Proxy Statement, certain relationships and related party transactions, page 31
	102-26	Role of highest governance body in setting purpose, values, and strategy	Our corporate responsibility framework, pages 16–17
	102-27	Collective knowledge of highest governance body	Our corporate responsibility framework, page 17 Proxy Statement, Corporate governance, page 20
	102-28	Evaluating the highest governance body's performance	Proxy Statement, Corporate governance, page 20
	102-29	Identifying and managing economic, environmental, and social impacts	Our corporate responsibility framework, pages 16–17 Proxy Statement, Corporate governance, pages 22–23, 25–26
	102-30	Effectiveness of risk management processes	Proxy Statement, Corporate governance, pages 22–23
	102-31	Review of economic, environmental, and social topics	Our corporate responsibility framework, page 17
	102-32	Highest governance body's role in sustainability reporting	Our corporate responsibility framework, page 17
102-33	Communicating critical concerns	Our corporate responsibility framework, page 19 Proxy Statement, Corporate governance, pages 23, 26	
102-35	Remuneration policies	Our corporate responsibility framework, page 19 Proxy Statement, Director compensation, pages 27–28 Proxy Statement, Compensation discussion and analysis, pages 36–49	



	Disclosure number	Disclosure title	Disclosure location and data
General Disclosures	102-36	Process for determining remuneration	Our corporate responsibility framework, page 19 Proxy Statement, Compensation discussion and analysis, pages 36-49
	102-37	Stakeholders' involvement in remuneration	Proxy Statement, Compensation discussion and analysis, page 36
	102-38	Annual total compensation ratio	Proxy Statement, CEO pay ratio disclosure, page 61-62
	102-40	List of stakeholder groups	Our corporate responsibility framework, page 15
	102-41	Collective bargaining agreements	Form 10-K, Business, page 9
	102-42	Identifying and selecting stakeholders	Our corporate responsibility framework, page 15
	102-43	Approach to stakeholder engagement	Our corporate responsibility framework, page 15
	102-44	Key topics and concerns raised	Our corporate responsibility framework, page 15
	102-45	Entities included in the consolidated financial statements	Form 10-K, Exhibit 21.1
	102-46	Defining report content and topic Boundaries	Our reporting responsibility framework, page 13
	102-47	List of material topics	Our corporate responsibility framework, page 13
	102-48	Restatements of information	None
	102-49	Changes in reporting	Our corporate responsibility framework, page 13
	102-50	Reporting period	January 1, 2019 to December 31, 2019
	102-51	Date of most recent report	July 2019, for fiscal 2018
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	https://www.bakerhughes.com/contact-us
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with GRI Standards: Core option
102-55	GRI content index	Reporting index and data summary, page 42	
102-56	External assurance	We engaged a third-party, TRC Companies, Inc. (TRC), to verify our 2019 Scope 1, 2, and 3 emissions data. During the detailed review of primary data and calculations for these facilities, TRC found no significant errors in the reported data or methodology for calculation and estimation of Scope 1, 2, and 3 emissions. The verification provides a "Limited Assurance," following <i>ISO 14064-3 Greenhouse Gases - Specification with guidance for the validation and verification of greenhouse gas assertions</i> .	



	Disclosure number	Disclosure title	Disclosure location and data
Management's Approach	103-1	Explanation of the material topic and its Boundary	Our corporate responsibility framework, page 13
	103-2	The management approach and its components	Our corporate responsibility dashboard, pages 8-10 Our corporate responsibility framework, pages 17-18 In addition, our management approach for each material topics is found in the applicable People, Planet and Principles section. Concerns and feedback can be communicated through: Baker Hughes Ethics Helpline: 1.800.288.8475 (toll free) or outside the U.S. +1.713.626.0521 (collect) External web portal: reportconcerns.bakerhughes.com Email: bakerhughes.Ombuds@bakerhughes.com reportconcerns.bakerhughes.com
	103-3	Evaluation of the management approach	Our corporate responsibility dashboard, pages 8-10 Our corporate responsibility framework, pages 15, 17-18 Additional performance data as reported in this Reporting index and data summary
Economic Performance	201-1	Direct economic value generated and distributed	Direct economic value generated: \$23.8B revenues Economic value distributed: Operating costs: \$22.7B Returns to shareholders: \$1.0B Payments to governments (taxes): \$482.0M Community investments: \$25.1M
	201-2	Financial implications and other risks and opportunities due to climate change	A letter from our CEO, page 4 Planet, pages 21-26 Annual Report Form 10-K, Risk factors, pages 12-20
Market Presence	202-2	Proportion of senior management hired from the local community	People, page 29 66% of senior management is hired from local communities (outside of North America)
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Planet, pages 23-24, 26
	203-2	Significant indirect economic impacts	Planet, pages 23-24
Procurement Practices	204-1	Proportion of spending on local suppliers	Information unavailable. We will improve our data gathering plan for this disclosure with a goal of including it in our 2020 report.



	Disclosure number	Disclosure title	Disclosure location and data
Anti-corruption	205-1	Operations assessed for risks related to corruption	Principles, page 38
	205-2	Communication and training about anti-corruption policies and procedures	Principles, page 38
	205-3	Confirmed incidents of corruption and actions taken	Principles, page 38 Material legal actions, if any, are reported in our Form 10-K, Legal proceedings, and financial statements and supplementary data
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Material legal actions, if any, are reported in our Form 10-K, Legal proceedings, and financial statements and supplementary data
Materials	301-2	Recycled input materials used	Planet, page 25
Energy	302-1	Energy consumption within the organization	Planet, page 22 Total energy consumption within the organization: 1,862,812 MWh Electricity from non-renewable sources: 615,082 MWh Electricity from renewable sources: 104,457 MWh By Fuel Type: Combustible fuels: 1,143,273 MWh Natural gas: 922,746 MWh Diesel/distillate: 188,038 MWh Gas: 30,242 MWh Propane: 2,247 MWh
	302-2	Energy consumption outside of the organization	Planet, page 23
	302-3	Energy intensity	Energy intensity ratio: 0.0000781 MWh/\$
	302-4	Reduction of energy consumption	Reduction from 2018 reporting year: -5.6% (increase) Reduction from 2012 baseline: 31.0% (decrease)
	302-5	Reductions in energy requirements of products and services	Planet, page 23



	Disclosure number	Disclosure title	Disclosure location and data
Water and Effluents	303-1	Interactions with water as a shared resource	Planet, page 25
	303-2	Management of water discharge related impacts	Planet, page 25
	303-3	Water withdrawal	Water withdrawal by source, in megaliters: Surface water (total) 330 Freshwater 330 Other water 0 Groundwater (total) 284 Freshwater 284 Other water 0 Third-party water/ municipal water supply (total) 1,204,480 Freshwater 1,204,480 Other water 0 Total water withdrawal: 1,205,094
	303-4	Water discharge	Water discharge by destination, in megaliters: Surface water 0 Groundwater (Underground Injection Control Well) 74 Third-party water (municipal water supply) 1,205,010 Total water discharge: 1,205,084
	303-5	Water consumption	Total water consumption: 16 ML
Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Ciudad del Carmen, Mexico, and Walpole, Massachusetts
	304-2	Significant impacts of activities, products, and services on biodiversity	Planet, page 25
	304-3	Habitats protected or restored	Planet, page 26
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	None



	Disclosure number	Disclosure title	Disclosure location and data
Emissions	305-1	Direct (Scope 1) GHG emissions	Planet, pages 21-22 Scope 1 GHG emissions: 383,104 Metric tons CO ₂ e Gases included: CO ₂ , CH ₄ , N ₂ O Base year: 2012, 516,000 Metric tons CO ₂ e Source: US EPA Greenhouse Gas Emission Factors, EIA Greenhouse Gas Emission Factors by Country
	305-2	Energy indirect (Scope 2) GHG emissions	Planet, pages 21-22 Scope 2 GHG emissions: 322,492 Metric tons CO ₂ e Market-based Scope 2 GHG emissions: 280,077 Metric tons CO ₂ e Gases included: CO ₂ , CH ₄ , N ₂ O Base year: 2012, 445,000 Metric tons CO ₂ e Source: US EPA Greenhouse Gas Emission Factors, US EPA eGRID, EIA Greenhouse Gas Emission Factors by Country
	305-3	Other indirect (Scope 3) GHG emissions	Planet, page 23 Scope 3 GHG emissions: 416,626 Metric tons CO ₂ e Gases included: CO ₂ , CH ₄ , N ₂ O Categories and activities included: Air travel, rail travel, hotel stays, rental cars, freight shipping, rail shipping, employee commute, employee personal car usage for business purposes Base year: 2012, 215,000 Metric tons CO ₂ e Source: category specific
	305-4	GHG emissions intensity	GHG emissions intensity ratio: 0.0000278 Metric tons CO ₂ e per revenue dollar Metric (denominator): \$23.84 USD Billions Emissions included: Scope 1 and Scope 2 Gases included: CO ₂ , CH ₄ , N ₂ O
	305-5	Reduction of GHG emissions	Planet, pages 21-22 GHG emissions reduction: 297,819 Metric tons CO ₂ e Gases included: CO ₂ , CH ₄ , N ₂ O Base year: 2012 Scopes: Scope 1, Scope 2
	305-6	Emissions of ozone-depleting substances	Negligible



	Disclosure number	Disclosure title	Disclosure location and data		
Waste	306-1	Waste generation and significant waste-related impacts	Planet, page 25		
	306-2	Management of significant waste-related impacts	Planet, page 25		
	306-3	Waste generated	Waste composition, in metric tons:		
				AMOUNT WASTE GENERATED	WASTE DIVERTED FROM DISPOSAL
		Waste composition:			
		Hazardous	21,073	12,435	8,638
		Non-hazardous	128,402	23,789	104,612
		E-waste	36	13	23
		Metals	21,077	21,077	-
		Total waste:	170,588	57,314	113,238
	306-4	Waste diverted from disposal	Waste diverted from disposal by recovery operation, in metric tons:		
			ONSITE	OFFSITE	TOTAL
		Hazardous Waste:			
		Preparation for reuse	0	-	-
		Reclamation	0	94	94
		Other recovery options	0	12,341	12,341
		Total:			12,435
		Non-hazardous Waste:			
		Preparation for reuse	0	-	-
		Reclamation	0	35	35
		Other recovery options	0	23,754	23,754
		Total:			23,789
		E-waste:			
		Preparation for reuse	0	10	10
		Recycle	0	3	3
		Total:			13
		Metals:			
		Material Recovery	0	21,077	21,077
		Total:			21,077
		Waste Prevented:			
		Former waste to product conversion		1,642	1,642



	Disclosure number	Disclosure title	Disclosure location and data																																																																
	306-5	Waste directed to disposal	<p>Waste directed to disposal by disposal operation, in metric tons:</p> <table border="1"> <thead> <tr> <th></th> <th>ONSITE</th> <th>OFFSITE</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td colspan="4">Hazardous waste:</td> </tr> <tr> <td>Incineration with energy recovery</td> <td>0</td> <td>142</td> <td>142</td> </tr> <tr> <td>Incineration without energy recovery</td> <td>0</td> <td>2,322</td> <td>2,322</td> </tr> <tr> <td>Landfilling</td> <td>0</td> <td>386</td> <td>386</td> </tr> <tr> <td>Other disposal operations</td> <td>0</td> <td>5,788</td> <td>5,788</td> </tr> <tr> <td>Total:</td> <td></td> <td></td> <td>8,638</td> </tr> <tr> <td colspan="4">Non-hazardous waste:</td> </tr> <tr> <td>Incineration with energy recovery</td> <td>0</td> <td>141</td> <td>141</td> </tr> <tr> <td>Incineration without energy recovery</td> <td>0</td> <td>115</td> <td>115</td> </tr> <tr> <td>Landfilling</td> <td>0</td> <td>81,700</td> <td>81,700</td> </tr> <tr> <td>Other disposal operations</td> <td>0</td> <td>22,657</td> <td>22,657</td> </tr> <tr> <td>Total:</td> <td></td> <td></td> <td>104,613</td> </tr> <tr> <td colspan="4">E-waste:</td> </tr> <tr> <td>Disposal</td> <td>0</td> <td>23</td> <td>23</td> </tr> <tr> <td>Total:</td> <td></td> <td></td> <td>23</td> </tr> </tbody> </table>		ONSITE	OFFSITE	TOTAL	Hazardous waste:				Incineration with energy recovery	0	142	142	Incineration without energy recovery	0	2,322	2,322	Landfilling	0	386	386	Other disposal operations	0	5,788	5,788	Total:			8,638	Non-hazardous waste:				Incineration with energy recovery	0	141	141	Incineration without energy recovery	0	115	115	Landfilling	0	81,700	81,700	Other disposal operations	0	22,657	22,657	Total:			104,613	E-waste:				Disposal	0	23	23	Total:			23
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Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	Form 10-K, Business, page 9, Risk factors, pages 14-15, and Financial statements and supplementary data, page 99																																																																
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	Planet, page 25 Principles, pages 36-37																																																																
	308-2	Negative environmental impacts in the supply chain and actions taken	Planet, page 25 Principles, pages 36-37																																																																
Employment	401-1	New employee hires and employee turnover	<p>New hires: 11,346 new hires 22% female 78% male</p> <p>Employee turnover: 13% average attrition 14.2% female 11.2% male</p>																																																																
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People, page 30																																																																
	401-3	Parental leave	People, page 30																																																																



	Disclosure number	Disclosure title	Disclosure location and data
Labor/ Management Relations	402-1	Minimum notice periods regarding operational changes	We comply with local laws and collective bargaining agreements pertaining to operational changes
Occupational Health and Safety	403-1	Occupational health and safety management system	Principles, page 35
	403-2	Hazard identification, risk assessment, and incident investigation	Principles, page 35-38 Our Way: The Baker Hughes Code of Conduct HSE Policy Baker Hughes Integrity Guide for Suppliers, Contractors, and Consultants California Transparency in Supply Chains Act
	403-3	Occupation health services	Principles, page 36
	403-4	Worker participation, consultation, and communication on occupational health and safety	Principles, page 35
	403-5	Worker training on occupational health and safety	People, page 31
	403-6	Promotion of worker health	Principles, page 36
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Principles, page 35
	403-8	Workers covered by an occupational health and safety management system	All company employees as well as contract/contingent workers are covered by the Baker Hughes HSE Management System. In addition, the following ISO certifications are held: ISO 14001:2015 (99 sites); ISO 45001:2018 /OHSAS 18001:2007 (64 sites); ISO 9001:2015 (290 sites)
	403-9	Work-related injuries	Principles, page 35 Day Away from Work Case Rate: 0.12 TRIR: 0.28 Formula for calculating TRIR: # of recordable cases X 200,000 hours divided by total hours worked. Total hours worked is calculated using factors based on job family data for each employee, such as length of shift and overtime typical of job families. Percent of recordable injuries by type: musculoskeletal disorders 89%; diseases caused by physical agents 7%; diseases caused by chemical agents 4%; skin and respiratory diseases 0%
	403-10	Work-related ill health	Principles, page 36. This is a new GRI standard and we are evaluating our data reporting process for our next report



	Disclosure number	Disclosure title	Disclosure location and data
Training and Education	404-1	Average hours of training per year per employee	People, page 31
	404-2	Programs for upgrading employee skills and transition assistance programs	People, page 31
	404-3	Percentage of employees receiving regular performance and career development reviews	2019 corporate responsibility dashboard, page 9 People, page 30
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	2019 corporate responsibility dashboard, page 9 Our corporate responsibility framework, page 16 Proxy Statement, Election of Directors
	405-2	Ratio of basic salary and remuneration of women to men	We annually issue a UK Gender Pay Gap report in accordance with country requirements. Our next report will be issued, as required, in 2021.
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Principles, page 38
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child labor	Principles, page 39 Human Rights Policy Statement
Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Principles, page 39 Human Rights Policy Statement
Security Practices	410-1	Security personnel trained in human rights policies or procedures	Principles, page 39 Human Rights Policy Statement
Rights of Indigenous Peoples	411-1	Incidents of violations involving rights of indigenous peoples	Principles, page 39 Human Rights Policy Statement
Human Rights Assessment	412-1	Operations that have been subject to human rights reviews or impact assessments	Principles, page 39 Human Rights Policy Statement
	412-2	Employee training on human rights policies or procedures	Principles, page 39 Human Rights Policy Statement
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Principles, page 39 Human Rights Policy Statement
Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Our corporate responsibility framework, page 15 People, page 32
	413-2	Operations with significant actual and potential negative impacts on local communities	Form 10-K, Business, pages 1-11, Risk factors, pages 12-20



	Disclosure number	Disclosure title	Disclosure location and data
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Principles, pages 36-37
	414-2	Negative social impacts in the supply chain and actions taken	Principles, pages 36-37
Public Policy	415-1	Political contributions	Principles, page 40 Political Contributions Report
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No material losses of customer data
Socioeconomic Compliance	419-1	Non-compliance with laws and regulations in the social and economic area	None

ABOUT THIS REPORT

This report covers our business and does not address the performance or operations of our suppliers, our contractors, or our partners, unless otherwise noted. All financial information is presented in U.S. dollars.

The goals and projects described in this report are aspirational; as such, no guarantees or promises are made that these goals and projects will be met or successfully executed. Furthermore, data, statistics and metrics included in this report are non-audited estimates, not prepared in accordance with generally accepted accounting principles (GAAP), continue to evolve and may be based on assumptions believed to be reasonable at the time of preparation, but should not be considered guarantees or subject to future revision. This report uses certain terms including those that GRI or others refer to as “material” to reflect the issues or priorities of Baker Hughes and its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by or construed in accordance with securities, or other, laws or as used in the context of financial statements and reporting.

This report, which speaks only as of its date, is not comprehensive, and for that reason, this report should be read in conjunction with our 2019 Annual Report on Form 10-K and Form 10Q for the quarters ended March 31, 2020 and June 30, 2020, particularly the “Forward-Looking Statements” and “Risk Factors” sections, our 2020 Proxy Statement, all of which can be found at <https://investors.bakerhughes.com/investor-relations>.

Statements of future events or conditions in this report, including those that concern future circumstances and results and other statements that are not historical facts and are sometimes identified by the words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “could,” “project,” “predict,” “continue,” “target” or other similar words or expressions, are forward-looking statements. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. The inclusion of such statements should not be regarded as a representation that such plans, estimates or expectations will be achieved. Important factors that could cause actual results to differ materially from such plans, estimates or expectations include, among others: changes in demand for oil and natural gas, as well as integrated products and services; expenditure reductions; changes in economic, political, and business conditions; changes in laws, regulations, other requirements or the enforcement or interpretation thereof including those related to oil and gas exploration and production, natural resources and fossil fuels management and climate-related initiatives; technological developments of, and substantial investments in, alternative energy; success of our CCUS and other initiatives; inability to reduce environmental impact; involvement in litigation; inability to satisfy service, equipment and power purchase agreements; inability to obtain, maintain, protect or enforce our intellectual property rights; remedial or non-compliance actions; the financial and operating conditions of our supply chain; defects in risk management; losses from, or the inability to identify and mitigate, risks inherent in operating in the global energy industry; high cost or unavailability of infrastructure, materials, equipment, supplies and/or personnel; potential disruption of operations due to war, accidents, weather and seasonal factors, political events, civil unrest, cybersecurity, geopolitical, or terrorism threats, pandemics, economic downturns or other causes beyond our control; and the risk factors in the “Risk Factors” section of our 2019 Annual Report on Form 10-K and those set forth from time-to-time in other filings by the Company with the U.S. Securities and Exchange Commission (SEC), available through our website or through the SEC’s Electronic Data Gathering and Analysis Retrieval (EDGAR) system at <http://www.sec.gov>.

Baker Hughes 

bakerhughes.com