

# **BAKER HUGHES INCORPORATED**

## **CHARTER OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS (as amended and restated July 28, 2016)**

The Board of Directors of Baker Hughes Incorporated (the “Company”) has heretofore constituted and established a Finance Committee (the “Committee”), with the authority, responsibility and specific duties as described in this Charter. This document replaces and supersedes in its entirety any previous charter of the Committee.

### **PURPOSE**

The purpose of the Finance Committee is to review and monitor the financial structure of the Company to determine that it is consistent with the Company’s requirements for growth and fiscally sound operation.

### **COMPOSITION**

The Committee and Chairman of the Committee shall be elected annually by the Board of Directors and subject to removal pursuant to the terms of the Company’s Bylaws. The Committee shall be comprised of not less than three nor more than six of its non-employee members. The Committee may, if appropriate, delegate its authority to subcommittees.

### **PRINCIPAL RESPONSIBILITIES**

In addition to oversight duties and responsibilities that may be assigned to the Committee, from time to time by the Board of Directors and/or the Chairman of the Board, the Committee shall be responsible for the following:

- Review and approve the following transactions in excess of \$50 million individually or in a series of related transactions, excluding intercompany transactions:
  - capital expenditures
  - borrowings from banks and other private lenders
  - privately placed note issuances
  - sale/leasebacks
  - operating and capital leases
  - off-balance sheet transactions
  - issuances of warrants, options and convertible or exchangeable securities letters of credit; bank guarantees; bid, performance or customs bonds or similar indemnity or surety arrangements issued on behalf of or for the benefit of the Company

- loans to or guarantees for and on behalf of third parties for the benefit of the Company (no ownership restrictions)
- guarantees that the Company or any of its subsidiaries issue supporting obligations of the Company, any of its subsidiaries or affiliates. Bank omnibus guarantees are authorized without limitation provided, however, no one facility thereunder exceeds \$50 million provided further that guarantees related to the performance of any subsidiary of the Company issued in the normal course of business are not subject to the limit of \$50 million.
- Review and approve FX spot and forward transactions in excess of \$50 million, individually or \$250 million in a series of related transactions.
- Review and approve the following types of transactions in excess of \$250 million, individually or in a series of related transactions:
  - non-equity related derivative contracts (e.g. interest rate swaps, options, rate locks, caps/collars)
  - commodity derivatives and hedges in excess of a maturity of three years
  - commercial paper programs and facilities related thereto
  - extendable commercial note programs and/or facilities related thereto
  - bank credit facilities
- Review for recommendation to the Board of Directors, any mergers, acquisitions and dispositions made by the Company and its subsidiaries in excess of \$50 million, excluding intercompany transactions.
- Review for recommendation to the Board of Directors, the annual plan and capital expenditure budget.
- Review for recommendation to the Board of Directors, stock repurchase programs, equity offerings, debt tender offers, redemptions or repurchases, to be undertaken by the Company.
- Review the Company's activities with credit rating agencies.
- Monitor on a periodic basis the Company's key financial ratios and peer group comparisons.
- Review for recommendation to the Board of Directors, any changes in the rate of the Company's dividend.
- Monitor the Company's exposure under outstanding letters of indemnity, letters of credit and corporate guarantees.
- Review and approve the Company's Investment Policy.

- Annually review the Finance Department Operations.
- Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

## **MEETINGS**

The Committee will meet at least two times per year as determined by the Board of Directors. Special meetings may be called by the Chairman of the Board or the Chairman of the Committee. All meetings of the Committee will be held pursuant to the Bylaws of the Company with regard to notice and waiver thereof, and written minutes of each meeting will be duly filed in the Company records. Reports of meetings of the Committee shall be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting accompanied by any recommendations to the Board of Directors approved by the Committee.