

April 27, 2020

## NOTICE TO STATE AND LOCAL GOVERNMENT OFFICIALS

Alaska Dislocated Worker Unit Rapid Response Coordinator- Kim Kolvig P.O. Box 115509 Juneau, AK 99811-5509

RE: WARN/Notice of Layoff

Dear Ms. Kolvig:

This notice is given in compliance with the Worker Adjustment and Retraining Notification Act of 1988, 29 U.S.C. §2101 et seq. ("WARN"). It is given because some of our employees are being affected by a work force reduction which may be construed as a "plant closing" or "mass layoff" as those terms are defined by WARN.

The COVID-19 public health crisis poses unprecedented challenges to our business and to global activity, including a historical collapse in demand for oil & gas. This collapse and the many challenges associated with the COVID-19 public health crises have converged with other unforeseeable business conditions, such as extraordinary macroeconomics and geopolitical conditions (including unexpected surplus production and supply), to precipitate plummeting oil prices and a drastic reduction in exploration/drilling/production activity within the North American oil and gas market.

We were unable to provide earlier or greater notice because these unforeseeable business conditions and the COVID-19 natural disaster have suddenly, dramatically and negatively impacted the market and reduced the overall need for the services and products provided by Baker Hughes. Baker Hughes is responding as a rapidly as possible to these conditions. In order to meet these rapidly changing unforeseeable business conditions, we are making the difficult business decision to reduce our staffing levels for some locations in the U.S.

Baker Hughes will experience a reduction in its workforce and a number of employees will experience layoffs in your city. Pursuant to the Worker Adjustment and Retraining Notification ("WARN") Act, we are reporting the following information to you.

- 1. A mass layoff will occur at a Baker Hughes Company location at Baker Hughes Spine Road, Deadhorse, AK 99734 .
- 2. This mass layoff is a result of the COVID-19 natural disaster, in conjunction with the historic collapse in demand for oil & gas and other negative market conditions. These unforeseeable business conditions and the COVID-19 natural disaster have suddenly, dramatically and negatively impacted the market and reduced the overall need for the services and products provided by Baker Hughes.
- 3. The layoffs are expected to be permanent, however the facility will still remain open after this layoff event.

- 4. There is no work to be performed. Employees will be paid for fourteen (14) day notice period and certain benefits will continue for six months following the layoff. It is expected that layoffs will begin on or about April 27, 2020.
- 5. The layoffs will impact the employees in the job titles in the numbers as indicated in the attached chart.
- 6. No bumping rights exist.
- 7. There is no union/employee representative.
- 8. Notices have been sent to the employees in compliance with the WARN Act as well as to Harry K. Brower, Mayor, North Slope Borough.

Please feel free to contact me at 661-768-8180 or <a href="mailto:charise.tidwell@bakerhughes.com">charise.tidwell@bakerhughes.com</a> if you require further information or have any questions.

Sincerely,

Charise Tidwell, PHR Human Resource Partner

Anticipated Exit Date	Position	Number Impacted
4/28/2020 - 4/29/2020	ARMO Technicians	8
4/28/2020	ARMO Welder	1
4/29/2020	Field Operator	2
4/28/2020 - 4/29/2020	Field Specialist	23
4/29/2020 & 5/29/2020	Field Supervisors	16
4/29/2020	Lead Services Specialist	1
4/28/2020 - 4/29/2020	Machinist	2
4/28/2020 - 4/29/2020	Service Delivery Coordinator	8
5/11/2020	Technical Field Representative	1
5/11/2020	Technical Field Representative	1