EUROPEAN COMMISSION

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PUBLIC VERSION

In the published version of this decision, some information has been omitted pursuant to Article 17(2) of Council Regulation (EC) No 139/2004 concerning non-disclosure of business secrets and other confidential information. The omissions are shown thus […]. Where possible the information omitted has been replaced by ranges of figures or a general description.

Baker Hughes Company
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United States

Subject: **Case M.12161 – BH / CHART**
Commission decision pursuant to Article 6(1)(b) in conjunction with Article 6(2) of Council Regulation No 139/2004 ([1]) and Article 57 of the Agreement on the European Economic Area ([2])

Dear Sir or Madam,

(1) On 21 May 2026, the European Commission received notification of a proposed concentration pursuant to Article 4 of the Merger Regulation by which Baker Hughes Company ('BH', United States) will acquire within the meaning of Article 3(1)(b) of the Merger Regulation sole control of Chart Industries, Inc. ('Chart', United States) (the 'Transaction'). ([3]) (BH and Chart are designated as 'the Parties'.)

([1]) OJ L 24, 29.1.2004, p. 1 (the 'Merger Regulation'). With effect from 1 December 2009, the Treaty on the Functioning of the European Union ('TFEU') has introduced certain changes, such as the replacement of 'Community' by 'Union' and 'common market' by 'internal market'. The terminology of the TFEU will be used throughout this decision.
([2]) OJ L 1, 3.1.1994, p. 3 (the 'EEA Agreement').
([3]) OJ C, C/2026/3085, 4.6.2026.

1. THE PARTIES

(2) BH is a US-based global energy technology company that provides various products and services to the oil and gas industry. Of particular relevance to the Transaction is its compressor business, as BH designs, manufactures, sells and services various types of compressors for a wide range of applications in the energy industry (including the compression of liquefied natural gas, 'LNG'). BH also markets prefabricated liquefaction modules, which integrate all of the components needed for liquefaction of natural gas in one prefabricated structure.

(3) Chart is a US company involved in the design, engineering, and manufacturing of process technologies and equipment for gas and liquid molecule handling for power, water, food, and industrial applications. In the area of liquefaction of natural gas, Chart licences plant process technology and supplies main cryogenic heat exchangers ('MCHE'). While Chart also has various types of compressors in its offer, these are not the compressors used in the liquefaction of natural gas.

2. THE CONCENTRATION

(4) On 28 July 2025, the Parties entered into an agreement under which BH will acquire all outstanding shares of Chart's common stock (the 'Transaction'). BH will thus acquire sole control over Chart. It follows that the Transaction is a concentration within the meaning of Article 3(1)(b) of the Merger Regulation.

3. UNION DIMENSION

(5) The undertakings concerned have a combined aggregate world-wide turnover of more than EUR 5 000 million ([4]). Each of them has a Union-wide turnover in excess of EUR 250 million, but each does not achieve more than two-thirds of its aggregate Union-wide turnover within one and the same Member State. The notified operation therefore has a Union dimension within the meaning of Article 1(2) of the Merger Regulation.

4. OVERVIEW OF THE LNG SECTOR AND THE PARTIES' ACTIVITIES

(6) Liquefaction is the process of cooling natural gas to condense it into liquid natural gas (LNG). This process reduces the volume of gas significantly making it economically viable to transport over long distances. Liquefaction takes place in gas-exporting areas. The resulting LNG is then typically shipped *via* specialised LNG carriers to gas-importing regions, where it is regasified at LNG import terminals by warming it back into its gaseous state. Unlike liquefaction, regasification does not require cryogenic refrigeration but the controlled addition of heat. Following regasification, the natural gas is injected into the transmission network for onward transportation and distribution to industrial, commercial and residential end users.

(7) While liquefaction occurs mainly outside the EEA ([5]), the EEA is one of the main net importers of LNG globally, together with China, Japan, South Korea, India and Taiwan. Unlike major LNG exporting countries, the EEA has very limited

([4]) Turnover calculated in accordance with Article 5(1) of the Merger Regulation and the Commission Consolidated Jurisdictional Notice (OJ C95, 16.4.2008, p. 1).

([5]) The largest LNG global exporters are the US, Qatar and Australia. See Form CO, para. 567.

liquefaction capacity, reflecting the fact that is a net importer rather than a producer/exporter of natural gas. The only large-scale liquefaction facility in the EEA is the Hammerfest LNG plant in Norway, where a few smaller scale liquefaction facilities are also located. By contrast, the EEA has an extensive network of LNG import and regasification terminals, which enables injection into the gas transmission network for onward distribution to the end users.

(8) The importance of LNG in the European gas supply mix has been increasing over the last decade. Natural gas currently represents around 20% of the EU's overall energy consumption. In 2024, about 22% of that gas was used in the electricity and heat generation sector, and around 38% in industry. Most of the rest is used in the residential and services sectors, mainly for heating buildings. In this context, LNG's share of the EU's total gas imports has more than doubled over the recent years, from 20% in 2021 to 45% in 2025. ([6])

(9) Access to affordable LNG is of strategic importance to the EU. Geopolitical disruptions in recent years have put upward pressure on European gas prices overall and increased the EU's reliance on LNG.

(10) The Russian war of aggression on Ukraine in 2022 accelerated the EU's efforts to phase out Russian fossil fuels, leading to an increase in LNG imports as a more flexible and geographically diversified supply source. Phased out Russian gas imports have been replaced mainly by LNG from the US, which supplied 58% of EU LNG imports in 2025 and pipeline gas imports from Norway (54% compared to 30% in 2021), North-Africa (19%), United Kingdom (8%) and Azerbaijan (7%). ([7])

4.1. Development of LNG projects

(11) LNG is produced by compressing natural gas and then cooling it to cryogenic temperatures at -162°C, which transforms the gas into a liquid. The liquefaction process reduces the gas volume to 1/600th of its gaseous state, which makes it easier to transport. ([8])

(12) The construction of LNG plants is highly capital-intensive, and financing is typically contingent on the prior negotiation of the plant's supply arrangements, providing sufficient certainty regarding the recovery of capital and operating expenditures. ([9]) LNG plants generally operate either under a tolling model, whereby the plant charges a liquefaction fee for processing natural gas supplied by the customer, or under a merchant model, whereby the plant operator owns the gas, liquefies it, and sells the resulting LNG on the market. ([10]) In both cases, the commercial terms governing the sale of LNG volumes committed under long-term agreements agreed before financing for the construction of the plant is obtained. ([11])

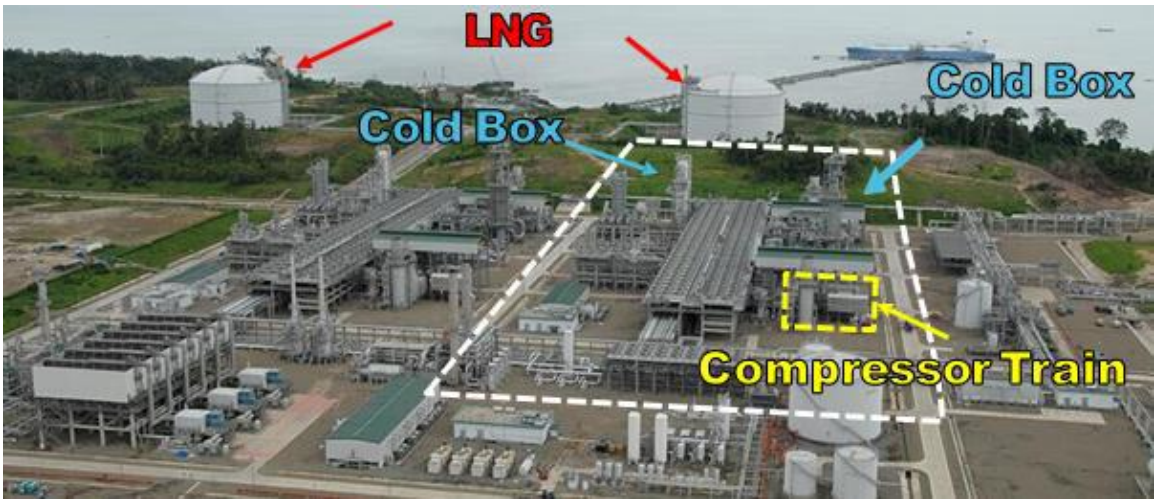
(13) The core of an LNG plant consists of the so-called 'liquefaction train', where the natural gas is transformed from a gaseous state to a liquid. An LNG plant includes

([6]) ACER, *Analysis of the European LNG market developments,* 2025 Monitoring Report, 22 May 2025, consulted on 30 June 2026, available at the following link ACER 2025 LNG Monitoring Report. LNG data - European Commission calculation based on LSEG (Refinitiv) and ENTSO-G, consulted on 30 June 2026, analysis available at the following link Liquefied natural gas.
([7]) *Ibid.*
([8]) Form CO, para. 587.
([9]) Plant owners questionnaire, question D.C.4.1.
([10]) Form CO, paras. 836 *et seq*.
([11]) Plant owners questionnaire, question D.C.4.

other parts, such as the LNG storage facilities using cryogenic storage equipment, loading facilities (i.e., jetties where ships can be loaded with the LNG), and auxiliary systems including power and gas treatment equipment. ([12])

(14) Figure 1 below shows an LNG liquefaction plant. The liquefaction train is indicated by the white rectangle:

Figure 1: LNG liquefaction plant



Source: Form CO, Figure 6.

(15) The main parts of an LNG liquefaction train are the following ([13]):

(a) the **process technology**, which refers to the overall design and engineering framework of a liquefaction unit, meaning the process through which natural gas is cooled and converted into a liquid. It defines and directs how the different components of the liquefaction train work together. There are different process technologies for LNG liquefaction trains, depending on the technical configuration and the process technology vendor's design for the liquefaction train. During the planning of an LNG plant, the Engineering, Procurement and Construction ('EPC') company or plant owner selects the process technology at an early stage because that is what defines how the plant operates and largely determines the selection of the equipment that together will make up the liquefaction train;

(b) the **main refrigerant compressor train** ([14]). This is a compressor typically driven by either a gas turbine or an electric motor, which compresses a cooling gas (typically a mixed refrigerant involving a blend of different molecules); ([15])

([12]) Form CO, para. 588.
([13]) Form CO, para. 590.
([14]) LNG plants also utilise auxiliary compressor trains, which are not part of the liquefaction train or whose purpose is not the refrigeration of the natural gas with a view to its liquefaction (e.g. boil-off compressors). Such auxiliary compressor trains are not an affected market and are thus not discussed in this Decision. For the avoidance of doubt, whenever reference is made in this Decision to "compressor trains", it is understood to mean main refrigerant LNG compressor trains.
([15]) The precise process can vary and involve a single refrigeration cycle (as is done for single mixed refrigerant processes, such as that used by Chart), two refrigeration cycles (dual-mixed refrigerant processes) a pre-cooling stage using propane first followed by a mixed refrigerant cycle, or a cascade process using pure separate refrigerants rather than mixed refrigerants in three circuits to progressively cool and liquefy natural gas.

(c) the **heat exchanger** or main cryogenic heat exchangers ("MCHE"). The compressed cooling gas is fed into one or more heat exchangers, which transfer heat from the natural gas to the cooling gas, thereby cooling the natural gas until it condenses into LNG. As shown in Figure 1 and discussed in paragraphs (18) and (51) below, there are two main heat exchanger technologies used in LNG liquefaction trains: brazed aluminium heat exchangers ("BAHX"), which consist of stacked layers of aluminium fins and parting sheets, brazed together into a single core compact, and coil wound heat exchangers ("CWHE"), which are based on coils of tubing wound around a central core. In order to achieve the capacity requirements of a liquefaction train, multiple BAHX can be grouped into a "cold box". Unlike BAHX, CWHE are not housed in cold boxes, and can typically be built in a single exchanger to accommodate whatever capacity is required;

(d) other equipment such as pipes, safety valves, turboexpanders, nitrogen rejection units, air cooled heat exchangers etc.

(16) BH and Chart have largely complementary portfolios with respect to the technology and equipment used to liquefy natural gas.

(17) BH is the incumbent supplier of compressor trains for LNG production. According to BH, it is the most referenced OEM for LNG plants, supplying large gas turbines and main refrigerant compressors. ([16]) BH's turbomachinery is installed in […] LNG plants in operation or under construction worldwide, representing more than […] Tonnes Per Annum (MTPA) of global installed LNG capacity. BH also offers prefabricated modules (see Section 6.5) ([17]), which integrate BH's compressor trains and process technology with other components sourced from third parties, including MCHE. BH does not market LNG liquefaction process technology standalone but integrates its open source-based process technology in the prefabricated modules that it offers.

(18) Chart is both active as a supplier of MCHE and as a licensor of process technology in the LNG industry. In particular, Chart only supplies one type of MCHE, namely BAHX, that can be grouped into cold boxes (see paragraph (51) ([18])). It holds a long-standing presence in the market for the supply of BAHX dating back to 1950. ([19]) By contrast, Chart is a relatively recent entrant in the market for LNG process technology market. Its Integrated Pre-cooled Single Mixed Refrigerant ("IPSMR") liquefaction process technology was patented in 2016 and optimised for use with Chart's cold boxes. Chart does not licence IPSMR on a standalone basis but only with its BAHX cold boxes. Conversely, Chart offers BAHX cold boxes both on a standalone basis and as part of an integrated offering with

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([16]) Baker Hughes, *LNG Solutions,* available at the following link https://www.bakerhughes.com/lng-solutions, consulted on 6 July 2026.

([17]) By contrast, Chart does not offer and does not have the capabilities to produce prefabricated modules.

([18]) For the sake of clarity, MCHE refers to the principal cryogenic heat exchanger in a liquefaction or cryogenic gas processing plant, which performs the main cooling and liquefaction of the process gas. BAHX refers to a type of heat exchanger consisting of brazed aluminium plate-fin cores, designed for highly efficient heat transfer at cryogenic temperatures. An MCHE may be manufactured using BAHX technology, but the term BAHX describes the heat exchanger technology, whereas MCHE describes its function within the process. By contrast, a cold box is a thermally insulated enclosure that houses one or more cryogenic process component, typically including one or more BAHXs, together with piping, valves, vessels and instrumentation, integrated into a single insulated module for operation at cryogenic temperatures.

([19]) According to publicly available information, they pioneered the fabrication of BAHX in the 1950s. For further information, please consult the following link Brazed-Aluminum-Heat-Exchangers.pdf

proprietary IPSMR LNG process technology. ([20]) During the last years, Chart has significantly expanded its presence as a licensor in the process technology market, while also increasing its sales of BAHX.

(19) LNG plant owners include international and national oil companies, such as ExxonMobil, Chevron, Shell and Qatar Energy. More recently, independent developers like Venture Global or Cheniere Energy have also started developing and operating LNG plants. ([21])

(20) Plant owners often outsource the development of an LNG plant to EPC companies. EPC companies design the plant, source the relevant inputs and manage all aspects of construction throughout the project's development lifecycle, including carrying out feasibility studies, customising plant design, procuring specialised equipment, physical construction and final commissioning. With the support of EPC companies, plant owners evaluate design options for the planned liquefaction train.

(21) While the compressor train, MCHE and process technology each fulfil a distinct and critical role in the liquefaction train, the process technology is central to the procurement process as it determines the interaction of all the main components of the liquefaction train. For this reason, it is typically selected first.

(22) Once the process technology has been selected, the liquefaction train equipment (including the compressor train and MCHE) is selected later by tender or bilateral negotiations with suppliers. ([22])

5. RELEVANT MARKETS

(23) The main products relevant for the competitive assessment of this Transaction are (i) the supply of main refrigerant compressors for liquefaction of natural gas, (ii) the supply of prefabricated modules for liquefaction of natural gas by BH, (iii) the supply of LNG process technologies and (iv) LNG MCHE ([23]) for liquefaction of natural gas by Chart. These products are closely related, meaning that the Transaction leads to conglomerate links between the Parties' activities.

(24) The Transaction also results in overlaps or vertical relationships for a number of other markets. However, all of these overlaps and vertical relationships do not give rise to affected markets as a result of the application of the Notice on Simplified Procedure. ([24]) Therefore, these markets will not be further discussed in this Decision.

([20]) Form CO, para. 682.
([21]) Form CO, para. 591.
([22]) Form CO, para. 592.
([23]) Notably, Chart only supplies a specific type of MCHEs, brazed aluminium heat exchangers ('BAHX').
([24]) The Transaction results in horizontal overlaps and vertical or conglomerate relationships that fall under points 5(d)(i)(aa) and/or 5(d)(i)(bb) of the Notice on Simplified Procedure for the following markets: large reciprocating gas compressors, small and medium reciprocating gas compressors, API (or similar)-compliant large reciprocating gas compressors, API (or similar)-compliant small and medium reciprocating gas compressors, reciprocating gas compressors overall oil and gas, reciprocating gas compressors overall non-oil and gas, reciprocating compressors for hydrogen use cases, centrifugal compressors overall, centrifugal compressors overall oil and gas, centrifugal compressors overall non-oil and gas, centrifugal compressors overall oil and gas onshore, steam turbines, IST (0-100 MW), steam turbines with power output of 2-40 MW, mechanical drive steam turbine ("MD") 0-100 MW), MD oil and gas (0-100 MW), MD other (non-oil & gas) applications (0-100 MW), MD (2-40 MW), MD oil and gas (2-40 MW), MD other (non-oil & gas) applications

5.1. Product market definitions

5.1.1. Compressor trains

(25) A compressor train typically consists of one or more compressors and a driver, together with the associated auxiliary systems. Compressor trains are used to compress and circulate refrigerant gases throughout the LNG plant. They increase gas pressure to enable cooling in order to liquefy natural gas and to maintain the pressure and flow conditions required for efficient and reliable plant operation. The driver supplies the mechanical power necessary to operate the compressor and may consist of a gas turbine, steam turbine, or electric motor, depending on the plant design.

5.1.1.1. Commission's precedents

(26) In its past decisional practice, the Commission concluded that the relevant product market in oil and gas is the entire compressor train rather than compressors on their own. ([25])

(27) The Commission has previously assessed the product market definition for compressor trains in the oil and gas industry and considered a distinct product market for compressor trains driven by light industrial gas turbines and aero derivate gas turbines. ([26]) The Commission considered a further segmentation by power requirement above and below 23 MW but ultimately left the exact definition open. ([27]) However, the Commission's practice does not refer specifically to compressor trains for use in LNG plants.

5.1.1.2. Notifying Party's views

(28) The Notifying Party submits that there is no separate market for compressors and drivers, which are typically supplied together as part of a compressor trains, but rather form part of a broader market for compressor trains. ([28])

(29) Likewise, in the Notifying Party's view, there is no separate market(s) specifically for compressor trains for LNG plants. Instead, it is submitted that compressor trains for LNG plants form part of a broader market for compressor trains serving a range of applications in the oil and gas sector and other industrial processes. In any event, according to the Notifying Party, the market definition can be left open, since there is no affected market. ([29])

(30) Nor, in the Notifying Party's view, is any further segmentation warranted on the basis of the size of the compressor trains, the LNG plant's capacity or the type of driver. ([30])

(2-40 MW), generator drive steam turbines ("GD") (0-100 MW), GD oil and gas (0-100 MW), GD other (non-oil and gas) applications (0-100 MW), GD (2-40 MW), GD oil and gas (2-40 MW), GD other (non-oil and gas) applications (2-40 MW), turboexpanders, expanders-compressors, flow meters, safety valves, high pressure safety valves, ACHE.

([25]) Commission decision of 29 June 2015 in Case No COMP/ M.7429 – Siemens/Dresser-Rand, para. 84.

([26]) Commission decision of 29 June 2015 in Case No COMP/M.7429 *Siemens* / *Dresser Rand*, para. 79.

([27]) Commission decision of 29 June 2015 in Case No COMP/M.7429 *Siemens* / *Dresser Rand*, para. 80.

([28]) Form CO, para. 712.

([29]) Form CO, paras. 708 and 711.

([30]) Form CO, paras. 709-710.

5.1.1.3. Commission's assessment

(31) The Commission's market investigation confirms that compressor trains must be considered as a relevant systems market as compressors and drivers are procured together. Compressor train suppliers overwhelmingly confirmed that compressors and drivers for LNG liquefaction are typically procured together as an integrated compressor train package. ([31]) Likewise, the majority of responding plant owners and EPC contractors submit that they (or their clients) usually procure compressors and drivers for LNG liquefaction plants together. ([32])

(32) It appears that the procurement of a compressor train consisting of a compressor and a driver is often the most efficient approach. ([33]) In the market investigation, plant owners explained that they prefer to procure both components as an integrated compressor train as it minimizes the risk of integration between both components and they can rely on one other party that takes over the responsibility for the train's operation. ([34]) Further, plant owners named several other factors supporting this finding such as interface design, performance guarantees, warranty coverage and risk mitigation. ([35])

(33) Further, the Commission finds that compressor trains to liquefy natural gas cannot be substituted with compressor trains used for other applications. The market investigation confirms that compressor trains used to liquefy natural gas must be specifically designed for the LNG specific use case. ([36]) This view was supported in the market investigation by a large majority of compressor train suppliers for LNG liquefaction plants and of EPC contractors. ([37]) Even if it may be technically possible to adapt other compressors trains for LNG liquefaction, it is usually not commercially viable due to the high costs associated with the required modifications. ([38]) One compressor train supplier explained that in "*most LNG liquefaction applications, simply substituting compressor trains (or their components) with ones not specifically designed for LNG service is high-risk and often impractical without major modification, re-rating and validation*". ([39])

(34) The market investigation also assessed whether a distinction should be made between main refrigerant compressor trains for LNG end applications depending on the size of the liquefaction train, on the one hand, or the technology of the compressor driver, on the other. The results indicate that gas-turbine driven compressor trains remain the standard solution for large-scale and extra-large LNG liquefaction trains, while electric motor driven compressor trains are ideally used for small-, mid- and increasingly large-scale applications. By contrast, steam turbine-driven compressor trains are largely regarded as a legacy technology and are rarely used in new LNG projects. Centrifugal compressors are the predominant compressor technology across LNG liquefaction plant of all sizes,

([31]) Compressor train suppliers questionnaire, question C.A.2.
([32]) Plant owner questionnaire, question C.A.1; EPC questionnaire, question C.A.1.
([33]) Plant owners questionnaire, question C.A.1.1.
([34]) Plant owners questionnaire, question C.A.1.1.
([35]) Plant owners questionnaire, question C.A.1.1.
([36]) Compressor train suppliers questionnaire, questions C.A.1 and C.A.1.1; EPC questionnaire, question C.A.2.
([37]) Compressor train suppliers questionnaire, question C.A.1; EPC questionnaire, question C.A.2.
([38]) Compressor train suppliers questionnaire, questions C.A.3. and C.A.1.1.
([39]) Compressor train suppliers questionnaire, question C.A.1.1.

whereas screw compressors are generally limited to micro-scale applications and mixed-flow compressors are not commonly used. ([40])

(35) The market investigation confirms that modularisation is technically feasible as the capacity of large LNG plants can be achieved by combining multiple smaller liquefaction trains. It further indicates that modularisation may also be commercially viable, depending on the specific characteristics of the project and the trade-offs involved. ([41])

(36) Against this background, the Commission considers that there is demand-side substitutability between the different compressor trains technology irrespective of their suitability subject to the liquefaction train and plant sizes. In particular, an LNG plant owner or an EPC contractor may meet the required production capacity either by selecting compressor trains implemented through multiple smaller liquefaction trains or through a smaller number of larger liquefaction trains. Accordingly, differences in the liquefaction train or plant sizes for which particular compressor trains are more suitable do not appear to warrant a separate market segmentation.

(37) In addition, as set out in Section 6.1.1, BH's market shares do not vary significantly across compressor train sizes and technology, therefore any further segmentation of the market at issue would not have an impact on the competitive assessment.

(38) In light of the foregoing, the Commission finds that there is a separate relevant product market for the supply of main refrigerant compressor trains for LNG end applications. However, the question of whether this product market should be further segmented based on the size of the liquefaction train or the technology of the compressor driver can be left open for the purposes of this decision, as a conclusion on this issue does not affect the outcome of the Commission's assessment in the present case.

5.1.2. LNG process technology

(39) Process technology refers to the overall design and engineering framework of a liquefaction unit, meaning the process through which natural gas is cooled and converted into a liquid. It defines the key engineering parameters, the required equipment, and the operating conditions of that equipment.

(40) The fundamental principles of natural gas liquefaction are broadly understood across the industry. Process technology licensors build on these generally known principles with proprietary knowhow and, in some cases, patented innovations. Their expertise lies in optimising process parameters such as refrigerant compositions, heat integration strategies, and operating envelopes to maximise efficiency, reliability and overall performance of the liquefaction process.

(41) There are several different process technologies for LNG compressor trains that differ in terms of their technical requirements. They can be broadly categorised as follows: Single mixed-refrigerant Processes ("SMR", Chart's IPSMR belong

([40]) Compressor train suppliers questionnaire, questions C.A.4., C.A.6, C.A.6.1. and C.A.6.2.
([41]) Compressor train suppliers questionnaire, question C.A.9.

to this group) ([42]), Dual-Mixed refrigerant Processes ("DMR") ([43]), Propane Pre-cooled Mixed Refrigerant Process ("C3-MR") ([44]) and Cascade processes. ([45])

5.1.2.1. Commission's precedents

(42) In its decisional practice, the Commission has not yet considered a market for process technologies.

5.1.2.2. Notifying Party's views

(43) The Notifying Party submits that all process technologies for LNG production are part of an overall product market.

(44) The Notifying Party further explains that the industry sometimes differentiates process technology for small/micro scale (below 0.5 MTPA), mid-scale (0.5-2 MTPA), and large-scale (2-7+ MTPA) LNG trains. Notably, certain categories of process technologies (i.e. SMR, DMR etc.) are optimised for use with a specific train size. ([46])

(45) However, according to the Notifying Party, at the plant design stage, plant operators can choose among multiple LNG train-size design options in order to achieve the required plant production capacity. Plant operators and EPCs seek to identify the plant design best suited for the project requirements and needs of the operator. For instance, where a project involves an LNG plant with a capacity of 8 MTPA, the operator may achieve such capacity by either opting for two LNG trains with 4 MTPA output each, or four LNG trains with 2 MTPA each, or any other MTPA combination that achieves the required overall output and cost per tonnes. The Notifying Party submits that various process technologies compete closely, and demand-side substitutability is high. The Notifying Party argues that these factors preclude the existence of separate process technology markets by train size or technology category. ([47])

5.1.2.3. Commission's assessment

(46) As regards the suitability of certain categories of process technologies (e.g. SMR, DMR, C3MR) for liquefaction trains of different sizes, the market investigation broadly confirmed that certain categories of process technologies are designed for specific train sizes. ([48]) For instance, a strong majority of process technology suppliers expressing a view consider that SMR can be used for small and mid-scale trains, whereas views are more mixed regarding micro, large and extra-large trains. ([49])

(47) Similar findings emerge from the market investigation in relation to the suitability of certain types of process technologies for LNG plants of different sizes. The investigation confirmed that certain categories of process technologies are best

([42]) These processes use a single refrigeration cycle, where the refrigerant is a blend of different molecules.
([43]) These use two independent refrigeration cycles with mixed refrigerants.
([44]) This process uses two refrigeration cycles: a first cooling cycle based on pure propane followed by a mixed refrigerant cycle.
([45]) These use pure, separate refrigerants rather than mixed refrigerants in three cascaded refrigerant circuits in a series of heat exchangers to progressively cool and liquefy natural gas.
([46]) Form CO, para. 750.
([47]) Form CO, para. 749.
([48]) Process technology licensors questionnaire, question C.A.2.
([49]) Process technology licensors questionnaire, question C.A.2.a.

suited to specific plant sizes. ([50]) For example, all process technology suppliers who expressed a view confirm that SMR can be used for small, mid and large-scale plants, whereas views are more mixed with respect to micro and very large-scale plants. ([51])

(48) However, the Commission's market investigation also shows that process technologies designed for smaller liquefaction trains can be deployed through multiple trains within the same LNG plant in order to meet higher production capacity requirements. ([52]) This indicates that process technologies optimised for smaller train sizes may also be used in large-scale LNG plants where several liquefaction trains are installed. This assessment is further corroborated by market evidence showing that in practice, LNG plants can rely on multiple LNG liquefaction trains to achieve the required overall production capacity. For instance, the Notifying Party submits that, in project *Woodside* ([53]), Chart's scope includes a 26 MTPA Liquefaction Plant Package to be supplied in 20 trains, each incorporating, among others, the IPSMR Process Technology. ([54]) This has also been confirmed by a market participant, stating that "*[…] Even though Chart's process technology typically targets smaller plants, it is possible to multiply the trains so that for example there are 9 x 1.5 MPTA in a Chart facility […]*". ([55])

(49) In light of the above, the Commission considers that there is demand-side substitutability between process technologies optimised for different train and plant sizes. In particular, an LNG plant owner or an EPC contractor may meet the required production capacity either by selecting process technologies implemented through multiple smaller liquefaction trains or through a smaller number of larger liquefaction trains. The Commission's market investigation shows that replicating multiple smaller liquefaction trains, as opposed to opting for fewer large trains, in order to achieve the required LNG plant capacity, is also economically feasible at least under certain circumstances. As pointed out by a process technology licensor "*Economic feasibility depends on factors such as site conditions, logistics, and economies of scale. […]*". ([56]) Accordingly, differences in the train or plant sizes for which particular process technologies are optimised do not appear to warrant a separate market segmentation.

(50) In view of the foregoing, the Commission concludes that in line with the Parties' views, the relevant product market is the overall market for LNG process technology.

5.1.3. Main cryogenic heat exchangers ('MCHE')

(51) Heat exchangers are devices that transfer heat from the natural gas stream to one or more refrigerant streams, thereby progressively cooling the gas until it reaches liquefaction temperature. They are used across a wide range of industrial applications, including in the liquefaction of natural gas. There are two main heat exchangers technologies used in LNG liquefaction trains: BAHX, which consist of stacked layers of aluminium fins and parting sheets, brazed together into a

([50]) Process technology licensors questionnaire, question C.A.3.
([51]) Process technology licensors questionnaire, question C.A.3.a.
([52]) Plant owners and EPCs questionnaire, C.B.1 and Process technology licensors questionnaire, C.A.4.
([53]) *Woodside Louisiana* LNG is a large-scale LNG production and export terminal under construction in Calcasieu Parish, Louisiana.
([54]) Form CO, Table 27.
([55]) Minutes of a call with a market participant, 29 January 2026.
([56]) Process technology licensors questionnaire, questions C.A.4.1 and C.A.4.2.

single core compact, and CWHE ([57]), which are based on coils of tubing wound around a central core. In order to achieve the capacity requirements of a liquefaction train, multiple BAHX can be grouped into a cold box. Unlike BAHX, CWHE are not housed in cold boxes, and can typically be built in a single exchanger to accommodate whatever capacity is required.

5.1.3.1. Commission's precedents

(52) The Commission has not previously considered a specific market for MCHE in the context of LNG applications.

5.1.3.2. Notifying Party's views

(53) According to the Notifying Party, CWHE are primarily used in larger liquefaction trains but are also suitable for smaller trains. BAHX are more commonly implemented in small to mid-scale liquefaction trains of up to around 2 MTPA capacity. Depending on the application, BAHX can also be supplied in a complete unit as a "cold box", as is almost always the case for LNG applications.

(54) The Notifying Party submits that CWHE and BAHX are likely part of an overall market for MCHE. The Notifying Party also claims that there is no market specifically for the application of CWHE and BAHX cold boxes in LNG production because this equipment is used for a wide range of other applications. However, the Notifying Party submits that the product market definition can be left open in any case, because BH does not offer BAHX or CWHE.

5.1.3.3. Commission's assessment

(55) The Commission's market investigation clearly indicates that MCHE used in the LNG liquefaction process are not substitutable with MCHE intended for other end applications. It also evidences that there may be some degree of preference between CWHE and BAHX, although this does not prevent a demand-side substitutability by technology type.

(56) The results of the market investigation show that MCHEs for LNG applications are specifically engineered and manufactured to meet the technical requirements of the LNG liquefaction process and therefore cannot be substituted by heat exchangers designed for other industrial applications. ([58])

(57) The market investigation also confirms that CWHE and BAHX serve the same function in an LNG liquefaction train and are technically and economically substitutable. Nevertheless, the evidence indicates that there are some degrees of preference based on the train size. CWHEs are generally preferred for large-scale LNG trains due to superior economies of scale, operational robustness, and lower lifecycle costs. BAHX-based cold boxes are generally more cost-effective for small- to mid-scale, modular, and offshore LNG projects. ([59])

(58) The findings of the market investigation further indicate that it is technically possible to replicate or combine heat exchangers designed for smaller LNG trains

([57]) CWHE use spirally wound tubes - typically stainless steel or other non-aluminium materials - within an external shell to transfer heat between the fluids. They are mounted in the inverse of a BAHX - cold end on top, warm end on bottom - and

([58]) MCHE suppliers questionnaire, question C.4.

([59]) MCHE suppliers, C.1 C.2 and C.2.1. EPC questionnaires, questions C.C.1. C.C.2 and C.C.2.1, Plant owners questionnaire, questions C.C.1, C.C.2 and C.C.2.1.

in order to meet the capacity requirements of larger LNG plants. ([60]) As a result, the same LNG plant may achieve its required production capacity either through a smaller number of larger liquefaction trains or through multiple smaller liquefaction trains incorporating the corresponding heat exchanger technology or cold boxes. ([61]) Accordingly, differences in train sizes for which CWHEs or BAHXs may be preferred do not, in themselves, preclude demand-side substitutability between the two technologies.

(59) For the purposes of this Decision, the Commission concludes that there is a separate relevant product market for the supply of MCHE used in the LNG liquefaction process. Whether the market should be further segmented by heat exchanger technology, namely CWHE and BAHX, can be left open, since it would not materially impact the competitive assessment in the present case.

(60) In light of the above, the Commission will conduct its assessment on the basis of a product market for MCHE used in the LNG liquefaction process, comprising both CWHE and BAHX technologies.

5.1.4. Prefabricated modules for the liquefaction of natural gas

(61) Prefabricated modules are pre-assembled units used in the construction of LNG plants (also referred to as "modularisation"). They typically comprise key liquefaction train equipment, including the process technology, compressor trains, heat exchangers and related piping, electrical and control systems. Unlike conventional on-site construction (also known as "stick-built", which is the conventional construction method considered throughout the present Decision), where equipment is delivered separately and installed on-site, prefabricated modules are assembled and tested off-site before being transported for the final installation and integration to the project site.

5.1.4.1. Commission's precedents

(62) In its decisional practice, the Commission has not yet considered a market for prefabricated modules.

5.1.4.2. Notifying Party's views

(63) The Notifying Party submits that there are no planned LNG liquefaction plants in the EEA, whether relying on prefabricated modules or traditional construction solutions. Any distinction between prefabricated liquefaction modules and other construction methods is therefore irrelevant in the EEA. Hence, it can be left open whether there is a separate relevant market for LNG modules. ([62])

(64) Moreover, the Notifying Party submits that modularisation is only one method of constructing LNG plants, alongside stick-built construction. The degrees of modularisation and prefabrication may vary depending on customers' requirements. According to the Notifying Party, suppliers offering different construction methods and degrees of modularisation compete in the same overall market. The Notifying Party further notes that prefabricated modules can be engineered in different ways, depending on the output capacity of the liquefaction

([60]) MCHE suppliers, questions C.9. and C.9.1.

([61]) For clarity, in order to meet the capacity requirements of a liquefaction train, multiple BAHX can be assembled into a single cold box. The overall capacity of an LNG plant can, in turn, be met by deploying one or multiple liquefaction trains.

([62]) Form CO, paras.762-775.

trains, and they are substitutable, from a supply-side perspective, with on stick-build liquefaction construction options. In the Notifying Party's view, this is further evidenced by the fact that many EPCs offer both liquefaction construction methods. ([63])

(65) From a demand-side perspective, the Notifying Party claims plant operators can choose whether to opt for a stick-built or for a modularisation approach, thereby pre-assembling the modules elsewhere and shipping them to the LNG plant location. Such selection can be driven by multiple circumstances, for instance the availability of skilled manpower in the specific site; conditions for workers at the site, space availability and other logistics at the site; and control of the safety, cost, and schedule of the activities at the site. ([64])

5.1.4.3. Commission's assessment

(66) The Commission's market investigation indicates that prefabricated modules are substitutable with stick-built construction, but only in certain circumstances.

(67) The selection of the most suitable solution between prefabricated modules and stick-built construction is highly project-dependent. One of the key drivers determining the choice is the location, as prefabricated modules are typically shipped over sea. As a result, the cost-effectiveness of prefabricated modules depends, among other things, on the proximity of the LNG plant site to the module-assembly site. Another relevant factor is that prefabricated modules may reduce the overall construction schedules compared with stick-built construction. ([65])

(68) Overall, the market investigation suggests that there is a degree of demand-side substitutability between prefabricated modules and stick-built construction. However, there are limits to the competitive constraint the two construction methods exert on each other, since they are generally better suited to different project types.

(69) For the purpose of the present Decision, the question of whether the supply of prefabricated liquefaction modules should be considered as a distinct product market can be left open, given that the Transaction does not raise serious doubts as to its compatibility with the internal market or the functioning of the EEA Agreement with respect to such potential market for prefabricated liquefaction modules.

5.2. Geographic market definition

5.2.1. Compressor trains

5.2.1.1. Commission's precedents

(70) In previous decisions, the Commission considered that if a product market for turbo compressor trains (which includes centrifugal compressors ([66])) were to

([63]) *Idem.*
([64]) Form CO, paras. 767-773.
([65]) Plant owners questionnaire, questions C.D.1 and C.D.1.1. and EPCs questionnaire, questions G.1., G.1.1. G.3. and G.3.1.
([66]) As mentioned in Section 5.1.1.3., centrifugal compressors are the predominant compressor technology across LNG liquefaction plant of all sizes

exist, the geographic scope of such market would likely be global. However, the delimitation of the geographic market was ultimately left open. ([67])

5.2.1.2. Notifying Party's views

(71) The Notifying Party expresses the view that the market(s) for the supply of compressor trains (all applications) are likely worldwide but at least EEA-wide. ([68]) However, the Parties also submit that the geographic scope of the markets for the supply of equipment and technology suitable for LNG should be limited to the countries/regions that export LNG and thereby exclude the EEA. ([69])

5.2.1.3. Commission's assessment

(72) The Commission finds that compressor train suppliers are active globally. Virtually all compressor train suppliers who provided a definitive response consider that they can actively compete worldwide for the supply of LNG compressor trains. ([70]) It appears that there are no particular geographic limitations preventing suppliers from competing anywhere. ([71]) A significant majority of compressor train suppliers who responded to the market investigation confirmed that tenders are typically organised on a global basis in terms of the origin of the suppliers invited to bid. A compressor trains supplier pointed out that "*In LNG projects, tenders for compressor trains are typically organized on a global basis rather than a strictly regional one, although practical and commercial factors can introduce some regional weighting. The procurement approach reflects the high technical specialization and limited number of qualified suppliers worldwide.*" ([72]) Overall, the evidence gathered during the market investigation does not support the Notifying Party's view that the geographic scope of the market for the supply of LNG compressor trains should be limited to LNG-exporting countries or regions.

(73) The Commission further notes that there are no reasonable grounds to exclude the EEA from the geographic scope of the market for the supply of LNG compressor trains. This is because the presence, albeit limited, of LNG plants in the EEA (see paragraph (7)) indicates that the geographic scope of the supply of LNG compressor trains cannot be confined to LNG-exporting countries or regions. This is further supported by the fact that also suppliers established in the EEA are active in the supply of these products.

(74) On the basis of the above, the Commission finds that the relevant geographic market for the supply of LNG compressors is worldwide in scope.

5.2.2. LNG process technology

5.2.2.1. Commission's precedents

(75) The Commission has not previously defined the geographic market for the licensing of process technology.

([67]) M.7429 – Siemens / Dresser-Rand, paragraph 182; Case M.7284 *Siemens/John Wood/Rolls-Royce Combined ADGT Business/RWG*, para. 42.
([68]) Form CO, para. 211.
([69]) Form CO, para. 799.
([70]) Compressor train suppliers questionnaire, question C.A.11.
([71]) Compressor train suppliers questionnaire, question C.A.11.1.
([72]) Compressor train suppliers, questions C.A.12. and C.A.12.1.

5.2.2.2. Notifying Party's views

(76) The Parties submit that the geographic market definition should be limited to the regions that export LNG. ([73])

5.2.2.3. Commission's assessment

(77) The Commission finds that process technology suppliers are contracted worldwide. A strong majority of process technology suppliers who provided a definitive response consider that tenders for LNG process technologies are mainly organised on a global basis. ([74]) One company responding to the market investigation elaborated that "*LNG projects are typically tendered globally*" due to "*the limited number of qualified licensors and equipment suppliers*" as well as "*the international nature of LNG project development*". ([75])

(78) As already noted in paragraph (73), the Commission considers that there are no reasonable grounds to exclude the EEA from the geographic scope of the market for the supply of LNG process technology due to for example the presence of LNG plants in the EEA. In addition, from a supply side perspective, licensors of LNG process technology established in the EEA are active in this market.

(79) On the basis of the above, the Commission finds that the relevant geographic market for the supply of LNG process technology is worldwide in scope.

5.2.3. MCHE

5.2.3.1. Commission's precedents

(80) The Commission has not previously defined the geographic market for the supply of MCHE for the liquefaction of natural gas.

5.2.3.2. Notifying Party's views

(81) The Notifying Party submits that the markets for heat exchangers, including BAHX, are at least EEA-wide, if not worldwide in scope. ([76]) The Parties submit that equipment is sold globally and sourced globally by customers. ([77]) Further, the Notifying Party explains that there are generally no differences in price and quality in different areas. ([78]) However, the Parties also submit that the geographic scope of the markets for the supply of equipment and technology suitable for LNG should be limited to the countries/regions that export LNG. ([79])

5.2.3.3. Commission's assessment

(82) The Commission finds that MCHE is supplied worldwide. A strong majority of respondents to the market investigation indicated that they compete worldwide. ([80]) Likewise, all respondents consider that tenders for MCHEs are mainly organised on a global basis. ([81])

([73]) Form CO, para. 799.
([74]) Process technology licensors questionnaire, question C.A.7.
([75]) Process technology licensors questionnaire, question C.A.7.1.
([76]) Form CO, para. 541.
([77]) Form CO, para. 541.
([78]) Form CO, para. 541.
([79]) Form CO, para. 799.
([80]) MCHE supplier questionnaire, question C.12.
([81]) MCHE supplier questionnaire, question C.13.

(83) The considerations set out in paragraphs (73) and (78) in relation to LNG compressor trains and LNG process technology equally apply to the supply of LNG MCHEs. Accordingly, the Commission considers that there is no basis for excluding the EEA from the geographic scope of the relevant market. Demand for LNG MCHEs is not confined to LNG-exporting countries or regions. Furthermore, suppliers established in the EEA are active in this market.

(84) On the basis of the above, the Commission finds that the relevant geographic market for the supply of LNG MCHE is worldwide in scope.

5.2.4. Prefabricated modules for the liquefaction of natural gas

5.2.4.1. Commission's precedents

(85) The Commission has not previously defined the geographic market for prefabricated modules for the liquefaction of natural gas.

5.2.4.2. Notifying Party's views

(86) The Notifying Party takes the view that the geographic market for prefabricated modules would likely be global although demand is currently limited to LNG exporting regions and countries. ([82])

5.2.4.3. Commission's assessment

(87) The Commission's market investigation confirmed that prefabricated modules can in principle be supplied globally. At the same time, the market investigation suggests that global supply may be subject to some regional constraints.

(88) Accordingly, for the purpose of the present Decision, the exact geographic scope of the supply of prefabricated modules can be left open, as the Transaction does not give rise to competition concerns under any plausible geographic market definition.

6. COMPETITIVE ASSESSMENT

(89) The Transaction primarily leads to non-horizontal relationships between BH's supply of LNG compressor trains and prefabricated modules, on the one hand, and Chart's supply of LNG process technologies and LNG MCHE, on the other.

(90) Several market participants raised concerns about the possibility that post-Transaction the merged entity would foreclose LNG process technology and LNG MCHE competitors of Chart, by leveraging its market position in the supply of LNG compressor trains. This Decision therefore assesses the risk of foreclosure, outlining below the Parties' market shares in their respective markets (Section 6.1), the legal framework for the competitive assessment of conglomerate effects (Section 6.2.2), the merged entity's ability to engage in foreclosure practices (Section 6.2.4.1), its incentive to do so (Section 6.2.4.2), and the likely impact of such a strategy on prices and innovation (Section 6.2.4.3). As there are similarities in the dynamics relating to the markets at risk of foreclosure (LNG process technology and LNG MCHE), in particular that they are sourced by the same customers as part of the same procurement process, these will be evaluated

([82]) Form CO, para. 783.

together for the purposes of this analysis, with any relevant differences outlined below.

(91) In Section 6.3, the Commission considers whether the Transaction would result in the merged entity having access to commercially sensitive information of rival LNG process technology providers, which the merged entity could then use to favour Chart. This could result in the merged entity pricing less aggressively, to the detriment of customers, or reducing rivals' ability to compete.

(92) In Section 6.4, the Decision assesses the risk that the Transaction would strengthen BH's dominant position in the supply of LNG compressors through its combination with Chart's LNG process technologies.

(93) Section 6.5, the Decision assesses the risk that the Transaction could (i) foreclose access to BH compressors to competing prefabricated module suppliers, making it harder for them to compete with BH's prefabricated modules; and (ii) foreclose access to BH as a customer of MCHE as part of its prefabricated modules.

(94) Section 6.6 addresses the limited concerns expressed during the market investigation in relation to the Parties' activities in the supply of equipment used in hydrogen liquefaction.

6.1. Market shares

(95) According to the Non-Horizontal Merger Guidelines ([83]), market shares provide useful first indications of the market structure and of the competitive importance of both the merging parties and their competitors.

6.1.1. LNG main refrigerant compressor trains

(96) As explained in paragraph (38) above, it is not necessary for the purposes of this Decision to conclude on whether the market for the supply of LNG compressor trains should be further segmented according to train size or driver technology. As set out below, BH's competitive position does not materially differ under any of the potential market segmentations. ([84]) Accordingly, the outcome of the competitive assessment would remain unchanged regardless of whether the market is defined more narrowly. The Commission therefore carries out its assessment on the basis of the market for the supply of LNG compressor trains, while noting that the same analysis and conclusions would apply under any of the potential narrower market definitions.

(97) The Commission further notes that in the market for LNG compressor trains only a limited number of high-value projects are awarded each year. Under these conditions, annual market shares are typically subject to significant fluctuations. Nevertheless, in the present case, as demonstrated in Table 1 below, BH's position has remained stable over at least the past three years and is also reflected in its aggregate worldwide market share over the last decade.

([83]) Guidelines on the assessment of non-horizontal mergers under the Council Regulation on the control of concentrations between undertakings ("Non-Horizontal Merger Guidelines"), OJ C 265, 18.10.2008, paragraph 24.

([84]) With the exception of small-scale LNG compressor trains (i.e. below 0.5 MTPA) where BH is not active. In any case, the Commission understands that in the past 10 years small-scale LNG main refrigerant compressor trains represented a *de minimis* share of the overall market (see Form CO, Annex 195). BH's absence from the small compressor train segment does therefore not affect the outcome of the Commission's competitive assessment.

Table 1: Market shares (volume) ([85]) in the supply of LNG main refrigerant compressor trains (all drivers) worldwide

	2022		2023		2024		2025		2016-2025	
Supplier	**Volume (units)**	**Share (%)**	**Volume (units)**	**Share (%)**	**Volume (units)**	**Share (%)**	**Volume (units)**	**Share (%)**	**Volume (units)**	**Share (%)**
Baker Hughes	[…]	[90-100]%	[…]	[90-100]%	[…]	[90-100]%	[…]	[80-90]%	[…]	[90-100]%
Siemens Energy	-	-	[…]	[0-5]%	-	-	[…]	[10-20]%	[…]	[0-5]%
MHI	-	-	-	-	-	-	-	-	4	[0-5]%
Other	-	-	[…]	[0-5]%	-	-	-	-	4	[0-5]%
Market size	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**

Source: Form CO, Annex 195.

(98) The market shares of BH and its competitors would not differ materially if separate product markets were considered by train capacity or driver technology. In almost all potential segments, ([86]) BH's aggregate market share in the past 10 years is consistently above [90-100]%, with the remaining market share being split between Siemens Energy and Mitsubishi Heavy Industries ('MHI'), and occasionally smaller players, like Solar. The only exceptions are the segment for large, electric motor-driven LNG compressor trains, where Siemens Energy's share is [20-30]%, attributable to two units supplied in 2021, while BH retains the remaining [70-80]%, and small LNG compressor trains where BH is not active.

(99) On the basis of the above, and for the reasons further detailed in Section 6.2.4.1.3 below, the Commission notes that BH holds a dominant position across LNG compressor trains worldwide. ([87])

(100) In the competitive assessment that follows, the Commission will refer to BH's overall position in the supply of LNG compressor trains, noting that the same conclusions would apply (except for small LNG compressor trains, as explained in footnote 85 above) if each potential LNG compressor train segment were considered separately.

([85]) The Commission considers in the present case that volume-based market shares are a more appropriate metric compared to value-based market shares, since third-party prices for compressor trains are not publicly available (see Form CO, paragraph 266). In any case, market shares in terms of volume and value do not differ materially (see Form CO, Annex 195).

([86]) The potential subsegments include: (i) large LNG main refrigerant compressor trains (>=2 MTPA) (BH's share:[90-100]%), which can be further subsegmented depending on driver technology into gas turbine-driven (BH's share: [90-100]%) and electric-motor driven (BH's share: [70-80]%); (ii) medium LNG main refrigerant compressor trains (0.5-2 MTPA) (BH's share: [90-100]%), which can be further subsegmented depending on driver technology into gas turbine-driven (BH's share: [90-100]%) and electric-motor driven (BH's share: [90-100]%); and small LNG main refrigerant compressor trains (<0.5 MTPA), where BH is not active.

([87]) The fact that BH is not active in small-scale LNG compressor trains does not detract from the fact that it is dominant in the supply of LNG compressor trains. As explained in footnote 84 above, in the past 10 years small-scale LNG main refrigerant compressor trains represented a *de minimis* share of the overall market.

6.1.2. LNG Process technology

(101) The Parties' and their competitors' market shares in licensing of LNG process technology worldwide are set out in Table 2 below. ([88])

Table 2: Market shares (based on liquefaction capacity) in the licensing of LNG process technologies worldwide

	2022		2023		2024		2025		2021-2025	
Supplier	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**
Chart	[…]	[70-80]%	[…]	[10-20]%	[…]	[10-20]%	[…]	[40-50]%	[…]	[20-30]%
Honeywell (Air Products)	[…]	[10-20]%	[…]	[80-90]%	[…]	[60-70]%	[…]	[50-60]%	[…]	[60-70]%
Conoco Phillips	-	-	-	-	-	-	-	-	[…]	[0-5]%
Black & Veatch	[…]	[10-20]%	-	-	[…]	[20-30]%	[…]	[5-10]%	[…]	[5-10]%
Aragon	-	-	[…]	[0-5]%	-	-	-	-	[…]	[0-5]%
Market size	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**

Source: Form CO, Annex 195.

(102) As discussed in paragraph (97) above, only a limited number of high-value LNG plant projects are awarded each year. The suppliers' market shares can therefore present significant annual fluctuations, making longer timeframes more relevant for the assessment of a supplier's market presence. As discussed in paragraph (18) above, Chart patented its IPSMR technology in 2016 and first licensed it in 2021. Table 2 therefore provides the suppliers' aggregate position over the period of 2021-2025.

(103) Two other relevant licensors of LNG process technologies, namely Linde and Shell, are not listed in Table 2 above, since they have not made any sales in the period 2021-2025. When considering a 10-year timeframe (2016-2025), Linde has a market share of [5-10]% and Shell has a market share of [5-10]%. ([89])

6.1.3. LNG MCHE

(104) The market shares of Chart and its competitors in the supply of MCHE worldwide are presented in Table 3 below. As for compressor trains and process technology, market shares present significant annual fluctuations, making longer timeframes more relevant for the assessment of a supplier's market presence. Over the last 3 years, Chart (supplying BAHX) and Honeywell (supplying both BAHX and CWHE) have been the main suppliers, while looking at a longer timeframe, Linde

([88]) BH also provides LNG process technologies as part of its prefabricated LNG modules, but it does not license a proprietary process technology as a standalone offering.

([89]) See Form CO, Annex 195.

and Alfa Laval (formerly known as Fives) were also significant suppliers. Other suppliers of BAHX, include Sumitomo Precision Products and Kobe Steel.

Table 3: Market shares (based on liquefaction capacity) in the supply of MCHE worldwide

	2022		2023		2024		2025		2016-2025	
Supplier	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**
Chart	[…]	[90-100]%	[…]	[10-20]%	[…]	[30-40]%	[…]	[60-70]%	[…]	[30-40]%
Honeywell (Air Products)	[…]	[10-20]%	[…]	[80-90]%	[…]	[60-70]%	[…]	[30-40]%	[…]	[50-60]%
Linde	-	-	-	-	-	-	-	-	[…]	[10-20]%
Alfa Laval (ex-Fives)	-	-	[…]	[0-5]%	-	-	-	-	[…]	[0-5]%
Market size	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**

(105) If separate markets were considered for CWHE and BAHX, Chart's market share in BAHX in the period of 2016-2025 would be [80-90]%, followed by Linde with [10-20]% and Alfa Laval with a share of below [0-5]%. Chart has no presence in CWHE, where Honeywell is the market leader with[80-90]%, followed by Linde with [10-20]%. ([90])

(106) To better reflect the economic reality, not least because CWHE suppliers were among the market participants expressing concerns about post-Transaction being foreclosed by the merged entity as explained in Section 6.2.4 below, the Commission will on a conservative basis conduct its assessment considering a market for MCHE that comprises both CWHE and BAHX.

6.1.4. Prefabricated modules for the liquefaction of natural gas

(107) BH's and its competitors' market shares in prefabricated modules for the liquefaction of natural gas are set out in Table 4 below. As for the other relevant product markets, market shares for prefabricated modules fluctuate considerably from year to year. A longer timeframe is therefore more appropriate to identify representative market shares.

(108) Over the last decade, BH has been the largest supplier of prefabricated modules, with an average market share of approximately [60-70]% ([91]). Its closest competitors during the same relevant period, Black & Veatch ([10-20]%), Wison ([10-20]%) and Technip ([5-10]%), held substantially lower market shares.

([90]) Form CO, Annex 195.

([91]) The Notifying Party stated that, as of the date of notification (21 May 2026), it had supplied prefabricated module solutions only to […]. See Form CO, para. 687.

Table 4: Market shares (based on liquefaction capacity) in the supply of prefabricated modules for liquefaction of natural gas worldwide

	2022		2023		2024		2025		2016-2025	
Supplier	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**	**MTPA**	**Share (%)**
Baker Hughes	[…]	[80-90]%	-	-	-	-	[…]	[60-70]%	[…]	[60-70]%
Black & Veatch	[…]	[5-10]%	-		[…]	[50-60]%	[…]	[10-20]%	[…]	[10-20]%
Wison	[…]	[5-10]%	[…]	-	[…]	[40-50]%	[…]	[5-10]%	[…]	[10-20]%
Technip	-	-		[60-70]%	-	-	[…]	[10-20]%	[…]	[5-10]%
Fluor	-	-	[…]	-	-	-	-	-	[…]	[0-5]%
Technomak	-	-	[…]	[20-30]%	-	-	-	-	[…]	[0-5]%
Market size	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**	[…]	**100%**

6.2. Conglomerate foreclosure

6.2.1. Overview of possible strategies

(109) Based on its investigation, the Commission has found a risk of foreclosure of Chart's competitors in the supply of LNG process technologies and LNG MCHE.

(110) Such foreclosure could be achieved through the leveraging of BH's dominant position in the supply of LNG main refrigerant compressor trains into each of the markets for LNG process technologies and LNG MCHE. Such leveraging could take the form of various behaviours, including:

(a) making BH compressor trains available for sale only if purchased together with Chart's LNG process technologies and/or Chart's LNG MCHE; or reducing interoperability of BH's compressor trains with third party equipment (tying);

(b) offering BH's compressor trains and Chart's process technologies and MCHE in discounted packages (bundling);

(c) applying various other, non-price exclusionary tactics vis-à-vis Chart's rivals in the markets for process technology, such as withholding or delaying key technical compressor train information needed for rivals' bids, reducing performance guarantees for LNG plants utilising non-Chart products, or delaying compressor train delivery to LNG plant projects utilising non-Chart products).

(111) As discussed in paragraph (90) above, in order to reflect economic realities, the Commission will assess the potential foreclosure practices arising from the leveraging of BH's position in the supply of compressor trains into the supply of

MCHE and process technologies jointly. This approach is justified by the fact that these products are procured by the same customers and within the same procurement processes (namely, those relating to the development of LNG plants). Where specific distinctions exist between the markets for process technologies and MCHE, the Commission will address these as appropriate.

6.2.2. Legal framework for the competitive assessment of conglomerate effects

(112) According to the Non-Horizontal Merger Guidelines, in the majority of circumstances, conglomerate mergers will not lead to any competition problems. ([92])

(113) However, foreclosure effects may arise when the combination of products in related markets may confer on the merged entity the ability and incentive to leverage a strong market position from one market to another closely related market by means of tying or bundling or other exclusionary practices. While tying and bundling have often no anticompetitive consequences, in certain circumstances such practices may lead to a reduction in actual or potential competitors' ability or incentive to compete. This may reduce the competitive pressure on the merged entity allowing it to increase prices. ([93])

(114) In assessing the likelihood of such a scenario, the Commission examines, first, whether the merged firm would have the ability to foreclose its rivals, ([94]) second, whether it would have the economic incentive to do so ([95]) and, third, whether a foreclosure strategy would have a significant detrimental effect on competition, thus causing harm to consumers. ([96]) In practice, these factors are often examined together as they are closely intertwined.

(115) In order to be able to foreclose competitors, the merged entity must have a significant degree of market power, which does not necessarily amount to dominance, in one of the markets concerned. The effects of bundling or tying can only be expected to be substantial when at least one of the merging parties' products is viewed by many customers as particularly important and there are few relevant alternatives for that product. ([97]) Further, for foreclosure to be a potential concern, it must be the case that there is a large common pool of customers, which is more likely to be the case when the products are complementary. ([98]) Finally, bundling is less likely to lead to foreclosure if rival firms are able to deploy effective and timely counter-strategies, such as single-product companies combining their offers. ([99])

(116) The incentive to foreclose rivals through bundling or tying depends on the degree to which this strategy is profitable. ([100]) Bundling and tying may entail losses or foregone revenues for the merged entity. ([101]) However, they may also allow the merged entity to increase profits by gaining market power in the tied goods

([92]) Commission Guidelines on the assessment of non-horizontal mergers under the Merger Regulation, OJ C 265, 18.10.2008, p. 6 ("Non-Horizontal Merger Guidelines"), para. 92.
([93]) Non-Horizontal Merger Guidelines, paras. 91 and 93.
([94]) Non-Horizontal Merger Guidelines, paras. 95-104.
([95]) Non-Horizontal Merger Guidelines, paras. 105-110.
([96]) Non-Horizontal Merger Guidelines, paras. 111-118.
([97]) Non-Horizontal Merger Guidelines, para. 99.
([98]) Non-Horizontal Merger Guidelines, para. 100.
([99]) Non-Horizontal Merger Guidelines, para. 103.
([100]) Non-Horizontal Merger Guidelines, para. 105.
([101]) Non-Horizontal Merger Guidelines, para. 106.

market, protecting market power in the tying good market, or a combination of the two. ([102])

(117) It is only when a sufficiently large fraction of market output is affected by foreclosure resulting from the concentration that the concentration may significantly impede effective competition. If there remain effective single-product players in either market, competition is unlikely to deteriorate following a conglomerate concentration. ([103]) The effect on competition needs to be assessed in light of countervailing factors such as the presence of countervailing buyer power or the likelihood that entry would maintain effective competition in the upstream or downstream markets. ([104])

6.2.3. Notifying Party's views

6.2.3.1. Ability to foreclose

(118) The Notifying Party submits that the merged entity will not have the ability to tie or bundle its compressor trains, process technology, and MCHE in a manner that would foreclose rivals from supplying process technologies or MCHE. This is premised on the following considerations:

(119) *First,* the Notifying Party submits that the merged entity will post-Transaction not be an unavoidable trading partner for the supply of main refrigerant compressor trains, since it will continue to face strong competition from Siemens Energy and MHI. ([105])

(120) *Second,* the Notifying Party argues that a tying or bundling strategy would be ineffective where customers select process technologies not offered by Chart, such as processes with multiple refrigeration cycles, which, according to the Notifying Party, are used in the vast majority of LNG projects. ([106])

(121) *Third,* the Notifying Party argues that the standard procurement process in LNG projects, where the process technology is typically selected first while compressor trains are selected at a later stage, would not afford the merged entity the opportunity to offer a bundle of its products. ([107])

6.2.3.2. Incentives to foreclose

(122) The Notifying Party further submits that it lacks any incentive to tie or bundle its compressor trains, process technology, and MCHE in a manner that would foreclose rivals from supplying process technologies or MCHE. This is based on the following reasoning.

(123) *First,* the Notifying Party submits that it is implausible for the merged entity to supply its compressor trains only in combination with its own process technology and MCHE solutions, as such strategy would be readily detectable and raise significant legal risk for the merged entity. ([108])

(124) *Second,* the Notifying Party argues that even if it offered a bundle of its products at a discount, this would not result in a foreclosure of its rival process technology

([102]) Non-Horizontal Merger Guidelines, para. 108.
([103]) Non-Horizontal Merger Guidelines, para. 113.
([104]) Non-Horizontal Merger Guidelines, para. 114.
([105]) Form CO, para. 891.
([106]) Form CO, para. 900.
([107]) Form CO, para. 902.
([108]) Form CO, para. 892 *et seq*.

suppliers. According to the Notifying Party, customers would prefer a process technology that better satisfies the requirements of their LNG project, rather than any discount the merged entity would be able to offer on its bundled equipment. ([109])

(125) *Third,* the Notifying Party argues that engaging in an anticompetitive bundling or tying strategy could jeopardise its relationships with business partners that extend beyond the liquefaction train industry. ([110])

(126) *Fourth,* if it were to engage into anticompetitive bundling or tying strategies, the Notifying Party submits that, as a response, competitors could take countermeasures and effectively counter such strategies by offering their own bundles. ([111])

6.2.3.3. Impact on effective competition

(127) The Notifying Party submits that, since it will lack the ability and incentive to engage in anticompetitive tying and bundling strategies, the Transaction will have no impact on effective competition. ([112])

(128) The Notifying Party further claims that, with regard specifically to the EEA, the Transaction will not have any direct effects, since there is no demand for the Parties' products related to LNG liquefaction in Europe. ([113]) As regards indirect effects on the price of LNG sold in the EEA, the Notifying Party submits that these would in any event be *de minimis*, since the equipment supplied by the Parties to LNG plant operators accounts for less than 10% of a plant's total CAPEX, and the cost of these plants is in turn only a portion of the expenditure needed to bring natural gas from the well to the end customer. ([114])

6.2.4. Commission's assessment

(129) For the reasons set out below, the Commission considers that the merged entity would likely have the ability and incentive to foreclose competing providers of LNG process technology and LNG MCHE by restricting or degrading access to its LNG compressors. The Commission likewise considers that such a foreclosure strategy could result in significant effects on the internal market and on the functioning of the EEA Agreement. Accordingly, the Transaction gives rise to serious doubts as to its compatibility with the internal market and the functioning of the EEA Agreement due to non-horizontal non-coordinated effects in the markets for (i) the supply of LNG MCHE, and (ii) the licensing of LNG process technologies.

6.2.4.1. Ability to foreclose

(130) Based on the evidence available in the file and the results of the market investigation, the Commission considers that BH would likely have the ability to engage in foreclosure strategies with regard to competing providers of LNG process technology and LNG MCHE for the following reasons.

([109]) Form CO, para. 902.
([110]) *Ibid.*
([111]) Form CO, para. 903.
([112]) Form CO, para. 5.
([113]) Form CO para. 573.
([114]) *Ibid.*

6.2.4.1.1. LNG process technology tends to be selected first

(131) LNG process technology is central to the procurement of the equipment required to build a liquefaction train. Its selection directly determines the operational efficacy and efficiency of the liquefaction train and, consequently, the compatibility and suitability of the associated equipment. ([115]) For this reason, procurement of liquefaction train equipment typically starts with the plant operator's (or EPC contractor's) assessment of available process technology options. At this preliminary design stage, the customer selects the optimal process technology for its planned LNG facility, adapting the choice to the project's requirements, including capacity, location, regulatory constraints, and operational objectives. ([116])

(132) The central role of the selection of the process technology in the procurement of the liquefaction train equipment was also confirmed by the market investigation. Almost all EPC companies and the clear majority of plant owners responded that the process technology is selected before the procurement of liquefaction train equipment. ([117]) As one EPC company noted, "*[t]he process technology is generally selected by the Plant Owner and affects all the process downstream, include[ing] the selection of the compressors and heat exchangers based on the process and engineering development*". ([118]) A plant owner similarly commented that "*[t]he project requirements decides/impacts the process technology, which will then impact the choice of liquefaction equipment.*" ([119])

6.2.4.1.2. Large pool of common customers

(133) As explained just above, compressor trains, process technology, and MCHE are key components of a liquefaction train and essential inputs for the construction of any LNG plant. These components are procured by the same customer, namely the LNG plant developer, which may be either the plant owner directly or an EPC contractor engaged by the plant owner to develop the plant. In other words, any customer procuring one of these three components will necessarily also need to procure the other two for the same LNG plant project. The Notifying Party does not contest this. ([120])

(134) The common pool of customers between the Parties is also evidenced by an internal document of BH discussing synergies of the Transaction, which specifically refers to the "[…]", and suggests that […] "*[...]*" […]. ([121])

(135) On the basis of the above, the Commission considers that LNG process technologies, compressor trains, and MCHE share a significant customer base. As a result, the merged entity would have the ability to leverage a strong position in one of these products to strengthen its position in the other two.

6.2.4.1.3. BH holds a dominant position in the supply of LNG compressor trains

(136) The Commission finds that the Notifying Party's view that post-Transaction it will not be an unavoidable trading partner for the supply of LNG compressor

([115]) Form CO, para. 614.
([116]) *Ibid.*
([117]) EPCs questionnaire, question D.A.1; Plant owners questionnaire, question D.A.2.
([118]) EPCs questionnaire, question D.A.1.1.
([119]) Plant owners questionnaire, question D.A.2.1.
([120]) Form CO, para. 613 *et seq.,* where the Notifying Party describes the procurement process for LNG equipment, which is largely in line with the information provided in Section 4.1 of this Decision.
([121]) Response to RFI 2, Annex 14, page 50.

trains, in that it will face strong competition from its rivals, is not supported by the evidence from the market investigation or by the information provided by the Parties themselves.

(137) *First,* as illustrated in Table 1 above, over the past decade BH has had a stable market share of above [90-100]% in the supply of LNG compressor trains. According to the Horizontal Merger Guidelines, a market share of 50% or more may in itself be evidence of the existence of a dominant market position. ([122]) Accordingly, with a stable market share of above [90-100]% over the past decade, the Parties' own market share data strongly indicate that BH holds a dominant position in the supply of compressor trains.

(138) BH's dominance in the supply of LNG compressor trains is further corroborated by data provided by the Parties in relation to the supply of recent LNG plants. The data suggests that BH has supplied […] out of the 50 most recent LNG plants, while for the remaining […] BH has not competed at all. ([123])

(139) *Second,* the Parties' market share data further indicates that BH faces limited competitive constraints from other suppliers of compressor trains. While Siemens Energy and MHI collectively account for ~[5-10]% of the market over the past decade, this figure may overstate their actual competitive presence, given their highly inconsistent year-to-year performance.

(140) More specifically, MHI's sales over the past decade have been negligible, limited to […] compressor trains sold in [year], with […] sales in any other year. Similarly, Siemens Energy sold a total of […] compressor trains (*i.e.* […]), while recording[…] sales in the remaining seven years. Other competitors ([124]) had sporadic sales, totalling […] units and a market share of [0-5]% over the past decade. By contrast, BH achieved sales in every year of the past decade, totalling […] units, and even accounted for […] compressor train sales recorded in six of those years. ([125])

(141) Moreover, as noted in paragraph (138) above, of the 50 most recent global LNG plants developed, BH's competitors supplied compressor trains for only […] projects, all cases in which BH did not submit a bid.

(142) This data not only reflects past market dynamics but also provides strong indicators of future competitiveness. As further explained in paragraphs (199) *et seq*. below, a proven track record of successful projects is a critical selection criterion for customers when choosing a compressor train supplier. Given BH's unmatched track record, it is well positioned to secure a dominant share of upcoming LNG projects. Consequently, it is unlikely that its market position will be effectively challenged in the foreseeable future.

(143) *Third,* the results of the market investigation further confirm BH's dominance in the supply of LNG compressor trains. When asked to rate the competitive strength of their rivals, compressor train suppliers ranked BH first with a score of 4.6/5, followed by Siemens Energy with a score of 3.4/5 and MHI with a score of

([122]) Guidelines on the assessment of horizontal mergers under the Council Regulation on the control of concentrations between undertakings ("Horizontal Merger Guidelines"), OJ C 31, 05.02.2004, paragraph 17.

([123]) Form CO, Annex 146.

([124]) The Notifying Party identifies Solar Turbines as a competitor in the submitted market share data (Form CO, Annex 195), as well as other companies throughout its submissions (e.g. Elliot, MAN and Burckhardt; see e.g. Form CO, Table 29).

([125]) See Form CO, Annex 195.

1.8/5. ([126]) One compressor train supplier commented that BH holds a "[d]*ominant market position in Main Refrigeration Compression*". ([127])

(144) Feedback from process technology licensors was similar, ranking BH first with a score of 4.6/5, followed by Siemens Energy with 2.8/5 and MHI with 2/5. ([128]) One process technology licensor commented that "*Baker Hughes is by far the dominant supplier for LNG projects"*, while that same respondent commented that Siemens Energy and Solar had "[m]*inimal market success*", and that MHI has "[n]*o apparent interest in market*" ([129])

(145) Responses from plant owners confirmed BH's clear dominant position as well. When asked to identify their suppliers of LNG compressor trains by project, BH was named by plant owners in 87% of cases. ([130]) As submitted by a plant owner, "*[…] main refrigerant compressors are largely dominated by BH, and these compressors are critical for LNG plant process efficiency*." ([131]) Similarly, as submitted by an EPC company, "*BH holds a dominant position in compressors and gas turbine drivers, with limited competition in that segment (BH's main competitors in said segment are Siemens [Energy] and Mitsubishi)*". ([132])

(146) *Fourth*, the market investigation further clearly suggests that barriers to entry or expansion into the market for LNG compressor trains are high.

(147) Almost all compressor train suppliers indicated that it would take at least 7 years for a company to enter the market for LNG compressor trains. ([133]) Respondents' estimates on entry costs ranged from several hundreds of million to more than 2 billion euro. ([134]) As one respondent explained, "[e]*ntering the LNG compressor train market (i.e., large centrifugal compressor trains for liquefaction) is extremely capital-intensive, time-consuming, and technically demanding. It is widely considered a high-barrier market. To compete with incumbents (e.g., Baker Hughes, Siemens Energy, MHI), a new entrant must be capable of designing large centrifugal LNG compressors (API 617 class), delivering integrated compressor trains: compressor + driver + auxiliaries, providing performance guarantees, global service support, being accepted by: EPC contractors, process licensors, major LNG operators. This is far beyond standard industrial compressor manufacturing.*" ([135])

(148) On the basis of the above, the Commission considers that BH holds a dominant position in the supply of LNG liquefaction compressor trains, as suggested by its

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([126]) Compressor train suppliers questionnaire, question E.A.1.-1. The score presented is the average score assigned by all respondents to this questionnaire to several companies present in the supply of LNG compressor trains, on a scale from 1 (less strong competitor(s)) to 5 (strongest competitor(s)).

([127]) Compressor train suppliers questionnaire, question E.A.1-2.

([128]) Process technology licensors questionnaire, question E.A.4-1. The score presented is the average score assigned by almost all respondents to this questionnaire to several companies present in the supply of LNG compressor trains, on a scale from 1 (less strong competitor(s)) to 5 (strongest competitor(s)).

([129]) Process technology licensors questionnaire, question E.A.4-2.

([130]) Plant owner questionnaire, question E.1; Responses by EPC companies were unreliable, since some EPC companies did not link their responses to specific project, but rather provided summary responses; see EPC company questionnaire, question E.1.

([131]) Minutes of a call with a plant owner, 12 February 2026.

([132]) Minutes of a call with an EPC company, 27 February 2026.

([133]) Compressor train suppliers questionnaire, question E.C.2.

([134]) Compressor train suppliers questionnaire, question E.C.1.

([135]) *Ibid.*

consistently high market shares, the limited competition faced by its rivals, and the high entry barriers to this market.

6.2.4.1.4. The Commission considers that the tying and commercial bundling strategies are likely to occur

(149) The Commission finds that the Notifying Party's claim that the merged entity would lack the ability to foreclose, due to (i) the process technology being selected first, thereby preventing the merged entity from leveraging its market power in compressor trains; (ii) the majority of LNG projects using process technologies with multiple refrigeration cycles, which Chart does not offer and (iii) the fact that such a strategy would be detectable (in particular for tying), is not supported by the evidence on the file.

(150) *First,* while the market investigation confirmed that customers typically select the process technology before procuring the liquefaction equipment, ([136]) this does not eliminate the merged entity's ability to pursue a bundling strategy by which it would leverage its dominance in compressor trains to incentivise customers to also procure the process technology and MCHE from itself. Post-Transaction, the merged entity will be active in the licensing of process technologies and will therefore engage with customers in the early design stages of the LNG plant. This enables the merged entity, at the initial stages of selection of the process technology, to already provide favourable terms on its compressor trains (which the customer is in any event already very likely to procure due to limited alternatives), on the condition that the customer will also source the process technology and MCHE from the merged entity.

(151) *Second,* the evidence in the Commission's file does not support the Notifying Party's claim that SMR process technologies, such as Chart's IPSMR technology, are suitable only for a limited set of LNG projects, thereby preventing the merged entity from addressing a bundle across LNG projects of different specifications.

(152) Data submitted by the Parties indicate that only […] of the last 50 LNG projects reaching final investment decision ('FID') since 2010 use a SMR liquefaction process technology (such as Chart's IPSMR technology) ([137]). Nonetheless, SMR technologies have been notably successful since 2020, with […] of the 20 projects reaching FID in this period selecting this approach. ([138]) Chart itself has issued a patent for its IPSMR technology in 2016 ([139]) and first started licensing it in 2021, ([140]) having grown significantly in the process technology market since then. Consequently, the historically low use of SMR technologies does not undermine the merged entity's ability to address a tie or a bundle of its liquefaction equipment and IPSMR process technology to the broader market.

(153) Moreover, while most SMR-based LNG plants feature mid-sized liquefaction trains (0.5-2 MTPA), ([141]) this does not preclude SMR's suitability for other liquefaction train or LNG plant sizes.

(154) Evidence from the market investigation suggests that smaller liquefaction trains can be modularly deployed to meet the demands of larger LNG plants. All process

([136]) EPCs questionnaire, question D.A.1; Plant owners questionnaire, question D.A.2.
([137]) Form CO, Annex 146.
([138]) *Ibid.*
([139]) See Chart Issued Patent for Liquefaction Technology.
([140]) Form CO, Annex 195.
([141]) *Ibid.*

technology licensors responding to the Commission's market investigation confirmed that SMR technology is suitable from small-scale (0.5 - 1 MTPA) to large-scale (2 - 5 MTPA) LNG plants. ([142]) The majority of these respondents submitted that SMR is also suitable for micro-LNG plants (0 - 0.5 MTPA) and very large LNG plants (5+ MTPA), thus being suitable to cover the complete spectrum of LNG plant sizes. ([143]) One of these respondents commented that SMR "*[…] is scalable and multiple trains can be utilized for > 5MTPA*". ([144])

(155) On the basis of the above, the Commission does not consider that the merged entity would be prevented from offering a tie or a bundle of its products to customers across different LNG project sizes, due to the fact that it will supply only a SMR-type process technology.

(156) In fact, as set out in Section 6.2.4.1.3 above, BH is in practice an unavoidable supplier of compressor trains. Moreover, as explained in paragraph (150) above, through its presence in licensing of process technologies, the merged entity will engage with customers at the early stages of an LNG project's design. This positioning would allow the merged entity to leverage its customers' reliance on its compressor trains to encourage them to also procure its IPSMR process technology, even in cases where the customer would (absent the bundled offer) have opted for a more suitable process technology tailored to their project's specific requirements. Since the process technology largely determines the liquefaction equipment needed for the LNG plant, securing the supply of its own process technology would likely enable the merged entity to bundle its MCHE offering as well (on top of the compressor trains, which the merged entity would most likely supply anyway, owing to BH's quasi-monopolistic position).

(157) This possibility of leveraging BH's compressor trains to favour Chart's IPSMR process technology is explicitly acknowledged in a BH internal document discussing the potential synergies form the Transaction, which states:

(158) "*[…]" ([145])*

(159) *Third,* evidence from the market investigation suggests that the merged entity will likely offer commercial bundles of its products. Of those respondents who provided a definitive reply, all compressor train suppliers, the vast majority of process technology licensors and MCHE suppliers, as well as the clear majority of EPC companies and plant owners, submitted that the merged entity is likely to offer its compressor trains, process technology and MCHE together at a discount, compared to their price if sold on a standalone basis. ([146])

(160) One process technology licensor commented in this regard that "*[…] there is a credible risk of Baker Hughes implementing a leveraging strategy through bundling its products with Chart's process technology and offering these on more favourable terms compared to when the products are offered on a standalone*

([142]) Process technology licensors questionnaire, question C.A.3-1.
([143]) *Ibid.*
([144]) Process technology licensors questionnaire, question C.A.3-2.
([145]) Response to RFI 2, Annex 14, page 6.
([146]) Compresser train suppliers questionnaire, question F.1; Process technology licensors questionnaire, question F.1; MCHE suppliers questionnaire, question F.1; EPCs company questionnaire, question F.2; Plant owners questonnaire, question F.2.

basis." ([147]) Similarly, an EPC company submitted that "*[t]his will most certainly happen as the compressor and BAHX are the heart of the LNG facility."* ([148])

(161) From the above, it is clear that the market anticipates with a considerable degree of certainty that the merged entity will pursue a commercial bundling strategy for its LNG compressor train, process technology and MCHE offerings.

(162) *Fourth,* the results of the market investigation suggest that the merged entity may engage in a tying strategy.

(163) The majority of the Parties' competitors submitted that the merged entity is likely to refuse outright to supply the compressor train, when the customer does not also choose its process technology and/or MCHE. ([149]) The majority of the Parties' competitors further submitted that the merged entity is likely to make its compressor trains technically incompatible with other suppliers' products. ([150])

(164) As explained by one competitor, its "*[…] view is that such foreclosure is not a theoretical risk but certainty, whether by outright refusal to supply or by rendering Baker Hughes' compressors technically incompatible with the process technologies of competing licensors. The structural conditions that make this outcome inevitable are already in place: Baker Hughes holds a ~95% share of the global refrigerant compressor market, making it an unavoidable trading partner for any LNG project developer, and the proposed transaction will give Baker Hughes a direct and substantial financial incentive to leverage that dominant position to foreclose Chart's rivals in the process technology market". ([151])*

(165) Responses by the Parties' customers were inconclusive on this matter. Nearly half of the customers responded that they do not know whether the merged entity would be likely to pursue tying strategies. A majority of those respondents who provided a definitive reply submitted that this would be unlikely, ([152]) many of them arguing that the merged entity would more likely engage in commercial bundling strategies. ([153])

(166) However, as suggested by the high proportion of customers who stated they were unable to respond, the Commission considers that customer's views on this specific point are likely less reliable than those of competitors. This is further supported by the fact that customers would not be the primary targets of a foreclosure strategy by means of tying, and any negative impact for them would materialise only at a later stage.

(167) *Fifth,* internal documents of the Parties suggest that synergies arising from bundling and, to a lesser extent, tying strategies have been thoroughly assessed in preparation of the Transaction and seem to constitute a key component of the Transaction's rationale.

(168) For instance, BH's internal document titled "Day 15 Update" ([154]) dating from […] was prepared by an external company to consult BH on whether to submit an

([147]) Process technology licensors questionnaire, question F.1.1.
([148]) EPCs questionnaire, question F.2.1.
([149]) Compressor train suppliers questionnaire, question F.2 ; MCHE supplier questionnaire, question F.2 ; Process technology licensors questionnaire, question F.2.
([150]) *Ibid.*
([151]) MCHE suppliers questionnaire, question F.2.1.
([152]) EPCs questionnaire, question F.3; Plant owner questionnaire, question F.3.
([153]) EPCs questionnaire, question F.3.1; Plant owner questionnaire, question F.3.1.
([154]) Response to RFI 2, Annex 14.

offer for the acquisition of Chart. This document includes a dedicated […]-page long assessment of revenue synergy opportunities arising from the Transaction, including through bundling of the Parties' products. One of the conclusions in this document is that "*[...]*". ([155]) The estimated revenue uplift from bundling is expected to be at […]. ([156])

(169) In a more recent presentation by BH and Chart on the integration planning dating from [date], one of the key progress updates discussed was the initiation of the discussion of growth synergies "*[...]".* In this document, "*[...]*" is considered a "*[...]*", resulting in a potential opportunity of […]. ([157])

(170) Another presentation from the Parties' Joint Integration Leadership Kickoff Meeting on [date] includes a slide titled "*[...]"*, which states among others "*[...]*". ([158])

(171) The Parties' internal documents suggest that the supply of integrated solutions encompassing LNG compressor trains, process technology and MCHE form a key component of the Transaction's rationale. While this is not a direct reference, there are several references to a "*[...]"* of the Parties' products, hinting to potential technical tying practices. ([159])

(172) From the above it is clear that BH has explored in preparation of the Transaction the possibilities of bundling and tying its own and Chart's LNG products, never doubting its own ability to do so.

(173) On the basis of the above, the Commission concludes that it is more likely than not that the merged entity will post-Transaction have the ability to engage in a strategy of bundling and tying its LNG compressor trains together with its process technology and MCHE.

6.2.4.1.5. The Commission considers that other non-price exclusionary tactics are likely to occur against process technology licensors

(174) The Commission has further assessed whether the merged entity could post-Transaction foreclose its rivals in the licensing of process technologies and the supply of MCHE, by exploiting their reliance on the merged entity's provision of technical information and assistance, to ensure their offers to customers remain competitive. Specifically, this could take the form of the merged entity degrading key technical compressor train information needed for rivals' bids, delaying compressor train delivery to LNG plant projects utilising non-Chart products, or reducing performance guarantees for LNG plants utilising non-Chart products.

(175) The evidence collected by the Commission suggests that the merged entity would have the ability to engage in such strategies against process technology licensors. The evidence does not suggest that the merged entity would have the ability to direct such strategies against MCHE suppliers. This is for the reasons set out below.

(176) *First,* the market investigation confirmed that the provision of technical information by the compressor train supplier is indispensable for the process

([155]) Response to RFI 2, Annex 14, page 6.
([156]) Response to RFI 2, Annex 14, page 64.
([157]) Form CO, Annex 144, pages 4 and 15.
([158]) Form CO, Annex 129, page 67.
([159]) Response to RFI 2, Annex 14, page 65.

technology licensor to formulate a commercially and technically attractive offer to their customer.

(177) Almost all process technologies licensors responded to the Commission's market investigation that sharing of information and technical data typically occurs between their company and the compressor train supplier in multiple stages of an LNG project development, from the initial concept phase to the operations phase. ([160]) All of them explained that information from the compressor train supplier is needed for the preparation of a competitive offer to their customer. ([161])

(178) In the words of one respondent, "*[…] turbomachinery and LNG technology are tightly linked because the entire LNG process depends on moving huge amounts of natural gas through compression, cooling, expansion and heat exchange cycles. The liquefaction process defines the refrigeration cycle, and the refrigeration cycle determines the type, size, power, configuration, and operating conditions of the compressors and turbines that make LNG production possible. Consequently, there is an unavoidable practical relationship between the two products, and it is common for technology licensors to cooperate and share information with turbomachinery manufacturers in order to develop a bespoke proposal for the project for which they are submitting a tender*." ([162])

(179) Another responded explained that "*[i]nformation sharing between compressor suppliers and process technology licensors is not merely useful; it is an indispensable and structurally compelled feature of every LNG liquefaction project procurement process. Without sustained, iterative, and bilateral exchange of proprietary technical information between the process technology licensor and the compressor supplier, a licensor cannot formulate a commercially and technically attractive offer to a customer. […] The two most important considerations for LNG project owners are the relative efficiency of a licensor's process which involves minimising the amount of power required by the refrigerant compressor to produce a unit of LNG and the expected capacity of a plant that uses the licensor's process. […]. Since each project is bespoke […] the technology licensing providers and compressor manufacturer must cooperate to maximise the efficiency of each project and thus calculate the performance guarantees they are prepared to give and the total cost of ownership. […] This requires the liquefaction process licensor to closely collaborate with the compressor supplier which is almost always Baker Hughes and entails the exchange of significant amounts of proprietary, competitively sensitive information and data.*" ([163])

(180) With regard to MCHE suppliers, the results of the market investigation suggest that they are not as reliant on information exchange and technical assistance by the compressor train supplier. Those MCHE suppliers who provided a definitive reply, responded that information by the compressor train supplier is not needed in order to formulate an attractive offer to their customers. ([164])

(181) *Second,* the results of the market investigation suggest that the merged entity will have the ability to exploit the dependence of its rival process technology licensors

([160]) Process technology licensors questionnaire, question D.B.1.
([161]) Process technology licensors questionnaire, question D.B.3.
([162]) Process technology licensors questionnaire, question D.B.2.
([163]) Process technology licensors questionnaire, question D.B.3.
([164]) MCHE suppliers questionnaire, question D.B.3.

on technical information and assistance in relation to the merged entity's LNG compressor trains.

(182) The majority of process technology licensors expect that the merged entity would post-Transaction degrade the quality of the exchanged information and data, as well as the overall cooperation with their company. ([165]) As explained by one respondent, "*[…] the merged entity could disadvantage Chart's competitors at the tender stage, by restricting the resources allocated to collaborating with competitors in the lead up to a bid. […] At present, Baker Hughes sends its top engineering team, which has exceptional capabilities, to participate in these discussions. Post-transaction, Baker Hughes could restrict that top-tier team to work only on Baker Hughes-Chart projects, and require Chart's competitors to work with more junior staff. This would likely weaken the proposals of competitors, in favour of the competing Baker Hughes-Chart concepts that would have access to the more advanced technical work and innovations of the top team*." ([166])

(183) As regards MCHE suppliers, their responses in the market investigation on that matter were inconclusive. While some MCHE suppliers submitted that the merged entity could post-Transaction degrade information exchange and cooperation with their company, their responses were either unsubstantiated or conflicting with their feedback on whether they rely on such information exchange in the first place. ([167])

(184) *Third,* the results of the market investigation suggest that the merged entity will have the ability to foreclose its process technology rivals by delaying the delivery of compressor trains to plant owners selecting a rival process technology.

(185) The selection of liquefaction equipment by an LNG project developer is largely driven by capital expenditure and schedule considerations. ([168]) BH's unique position as the dominant supplier of LNG compressor trains enables it to determine the schedule of almost any LNG project worldwide. Post-Transaction the merged entity could prioritise the supply of the compressor train to projects where it will also license the process technology, against projects that will opt for a competing process technology.

(186) As explained by a process technology licensor, "*Baker Hughes' turbine delivery schedules can be a critical path in many projects. When customers go out to bid, they go out to all suppliers and request input on schedule and cost. Baker Hughes is the only turbomachinery supplier with access to the entire global LNG opportunity list, because of its dominant position in the market in existing and planned LNG projects. […] Post-Transaction, Baker Hughes will be able to leverage this position in turbomachinery to present a combined Baker Hughes/Chart as the most favourable supplier over alternatives like ConocoPhillips or Honeywell.*" ([169])

(187) As further explained by this respondent, BH can "*ascertain which projects are constrained by the turbomachinery schedule. […] The impact of schedule is particularly significant. For example, a 10 MTPA project could generate*

([165]) Process technology licensors questionnaire, question F.3-1.
([166]) Process technology licensors questionnaire, question F.1.1.
([167]) MCHE suppliers questionnaire, question F.3.
([168]) EPCs questionnaire, question D.A.3; Plant owner questionnaire, question D.A.4. See also minutes of a call with a market participant, 13 May 2026.
([169]) Process technology licensors questionnaire, question F.1.1.

revenues of around USD 300 million per month, so even a two-month potential acceleration in delivery can represent approximately USD 600 million in value, which is non negligeable for clients. In such cases, clients may accept the lower efficiency associated with Chart's technology (which uses relatively more fuel and produces greater emissions) in exchange for earlier completion of the project." ([170])

(188) The clear majority of process technology licensors confirmed this, submitting that the merged entity could and likely would delay the delivery of compressor trains to customers selecting a competing process technology. ([171])

(189) *Fourth,* another practice through which the merged entity would have the ability to foreclose its rivals in process technology licensing is by reducing or otherwise negatively impacting the performance guarantees which competing process technology licensors can submit to their customers, while maintaining high performance guarantees for the projects that opt for its own process technology.

(190) During the market investigation, several process technology licensors pointed to the significance of presenting the customer with high and binding performance guarantees for the LNG project under development, for their bid to be competitive.

(191) As one process technology licensor explained, "*[t]he perceived reliability of a process technology licensor's offering is inextricably linked to the performance guarantees it is able to commit to, which in turn depend directly on the accuracy and completeness of the compressor performance data it receives from the compressor supplier. A key part of a process technology licensor's value proposition is precisely the performance guarantee: if the EPC builds the plant according to the licensor's design, and the equipment performs as specified by the equipment suppliers, the licensor guarantees that the plant will operate at a given capacity. This assurance is crucial for plant owners and EPCs, as it reduces risk and makes it easier for them to secure financing from lenders*". ([172])

(192) Another process technology licensor illustrated in this regard that "*prior to a USD 10 billion project obtaining project financing from international lenders, the lenders will require that their technical experts approve the project's technical assumptions. For instance, a project may be "designed" to produce 10 MTPA, but the parties building it and the Baker Hughes provider may only "warranty/guarantee" 95% of that volume. The lenders will then only include 95% of the 10 MTPA's revenues when the lenders assess whether the project is "financeable"*."

(193) Since BH holds a dominant position in the supply of LNG compressor trains, and since the LNG compressor train plays a crucial role in the performance guarantees process technology licensors can issue, the merged entity will be in a position to undermine the competitiveness of its rivals' bids for an LNG project's process technology, by impacting the performance guarantees such rival can issue.

(194) According to a process technology licensor, "*[f]or non-Chart projects, Baker Hughes could reduce its "guarantee" down to 85 or 90% instead of 95%. A 5% reduction in guarantee would equate to about USD 3.6 billion of lower revenue over 10 years, which is a huge impact on a USD 10 billion project. This could*

([170]) Minutes of a call with a market participant, 13 May 2026.
([171]) Process technology licensors questionnaire, question F.3.
([172]) Process technology licensors questionnaire, question E.A.3.2.

result in the non-Chart LNG project never reaching FID (reducing competition for BH/Chart projects, and reducing supply to European customers). For projects where Chart is competing against […] others, Baker Hughes could maintain a 95% guarantee for Chart, but similarly reduce the guarantee for […] others. […] The longterm impact of this would be to drive […] the smaller liquefaction technology providers out of the market." ([173])

(195) In a similar vein, another process technology licensor commented that "*[p]ost-transaction, the merged entity would have the ability to undermine the perceived reliability of [this licensor]'s process technology by distorting the compressor performance data it provides, causing [this licensor] to commit to performance guarantees that it would subsequently be unable to honour exposing [this licensor] to liability for liquidated damages and reputational harm without [this licensor] having any means of detecting that the data on which its guarantees were based had been manipulated*." ([174])

(196) On the basis of the above, the Commission concludes that it is more likely than not that the merged entity will post-Transaction have the ability to foreclose its rivals in the licensing of process technologies by (i) degrading the quality of cooperation and information provided to rival process technology licensors; (ii) by delaying the supply of the compressor train in LNG projects that have opted for a rival process technology; (iii) by reducing or otherwise negatively impacting the performance guarantees rival process technology licensors can submit to their customers.

6.2.4.1.6. No counterstrategies

(197) For the following reasons the Commission considers that there are no effective and timely counter-strategies that the merged entity's rivals may deploy in response to the potential foreclosure strategies set out in this Section.

(198) *First,* as discussed in paragraph (99) above, BH holds a dominant position in the supply of LNG compressor trains, and has supplied nearly all LNG projects in the past 10 years. Since the compressor train is a key component of any LNG liquefaction train, any counterstrategy whereby rivals would combine their offerings to match the one of the merged entity would need to include a credible compressor train supplier. As explained in paragraph (98) above, however, BH's rival compressor train suppliers had minor sales over the past 10 years, while BH's main competitor, Siemens Energy, seems to have been focusing particularly in electric-motor compressor trains, ([175]) which represent a small part of the overall market for the supply of LNG compressor trains ([176]). Absent a credible compressor train supplier participating in a bundled counteroffer by the merged entity's rivals, it appears unlikely that such counteroffer could defeat a foreclosure strategy by the merged entity.

(199) *Second,* the market investigation confirmed that there are no alternative suppliers who, either individually or by teaming up with each other, could offer a

([173]) Process technology licensors questionnaire, question F.1.1.
([174]) Process technology licensors questionnaire, question E.A.3.2.
([175]) See minutes of a call with a competitor, 21 January 2026.
([176]) The supply of electric motor-driven LNG compressor trains represents [10-20]% of the overall value of the market for LNG compressor trains over the past decade. The remaining [80-90]% of the market value is represented by gas-turbine-driven LNG compressor trains; see Form CO, Annex 195.

combination of products that is technically and economically comparable to the merged entity's offering.

(200) While a limited number of respondents replied that there would be potential alternatives, most of these responses were either not substantiated, were referring to potential future entrants of LNG compressor train suppliers rather than currently active players, or generally acknowledged that any alternative offering would in any case have limitations compared to the merged entity's. ([177]) For instance, one compressor train supplier replied "*[w]hile techinically [sic] yes, it's economically and commercially diffcult [sic] since most end-users look to a single source supplier, if available*." ([178]) Similarly, a process technology licensor referred to Atlas Copco and Ingersoll-Rand (neither of which appear as active players in LNG compressor trains in the Parties' market share data ([179])) as potential compressor train alternatives to BH, only to add that "*[h]owever, past [experience] and reference lists needs to be considered before making the investment to go in this direction*." ([180])

(201) Those respondents who provided more substantiated responses were clearly more negative about the feasibility of forming credible cooperations to counter the merged entity's potential foreclosure strategies.

(202) One process technology licensor replied that "*[n]either [this licensor] nor any other competing process technology licensor whether individually or by teaming up with alternative compressor suppliers, could offer a combination of components that is technically and economically comparable to the one that the merged entity would be able to offer post-transaction. The fundamental reason is that Baker Hughes is an unavoidable trading partner in the supply of refrigerant compressors. […] Other OEMs lack the manufacturing abilities, technical capabilities including the equipment power range required for mid- to large-scale liquefaction and the demonstrated track record needed to be considered viable alternatives to Baker Hughes. […] Any combination that a competing licensor could assemble by teaming up with an alternative compressor supplier would therefore be structurally inferior to the merged entity's offering […] because no alternative compressor supplier can offer the performance track record, reference project portfolio, manufacturing capacity, and performance guarantee certainty that Baker Hughes provides." ([181])*

(203) Similarly, a plant owner explained that "*[a]ny 'teaming up' or partnerships by suppliers with competitors or combining offers is not plausible. While customers can take turbomachinery from one supplier and liquefaction technology from another (or suppliers could 'team up' to provide a combined offering), this would be highly impractical in reality due to imperfectly aligned management and strategies of the respective entities. The dominant position of Baker Hughes will constrain the ability of rivals to provide these component services on a standalone or bundled basis*." ([182])

(204) *Third,* the absence of alternative suppliers capable of offering a comparable combination of products to that of the merged entity is further corroborated by the

([177]) See e.g. process technology licensors questionnaire, question F.5.
([178]) Compressor train suppliers questionnaire, question F.5.
([179]) See Form CO, Annex 195. Atlas Copco appears in the list with a [0-5]% market share in the supply of LNG compressor trains in the period 2016-2025, having only sold […] units in [year].
([180]) Process technology licensors questionnaire, question F.5.
([181]) Process technology licensors questionnaire, question F.5.
([182]) Plant owners questionnaire, question F.4.

Parties' internal documentation. In particular, BH's internal document titled *"Day 15 Update"* indicates that BH commissioned a market survey among participants in the LNG sector to gauge reactions to the Transaction. The *"Day 15 Update"* document contains several statements from market participants, which suggest that a bundled offering by the merged entity would be favourably received. One respondent to the survey explicitly addressed the limitations of competing suppliers in matching such an integrated offering, stating "*[...]*." ([183])

6.2.4.1.7. Conclusion on ability

(205) In light of the above, and in particular of BH's dominance in the supply of LNG compressor trains, the Commission considers that the merged entity would likely have the ability to leverage such dominance so as to post-Transaction foreclose its rivals in the licensing of process technologies and the supply of MCHE by making BH compressor trains available for sale only if purchased together with Chart's LNG process technologies and/or Chart's LNG MCHE; or by reducing the interoperability of BH's compressor trains with third party equipment (tying); and offering BH's compressor trains and Chart's process technologies and MCHE in discounted packages (bundling).

(206) Moreover, the Commission considers that the merged entity would likely have the ability to foreclose its rivals in the licensing of process technologies by applying various other, non-price exclusionary tactics vis-à-vis Chart's rivals in the markets for process technology and MCHE, such as withholding or delaying key technical compressor train information needed for rivals' bids, delaying compressor train delivery to LNG plant projects utilising non-Chart products, or reducing performance guarantees for LNG plants utilising non-Chart products.

6.2.4.2. Incentive

(207) Based on the evidence on the Commission's file, including the results of the market investigation, the Commission considers that BH would likely have the incentive to engage in foreclosure strategies with regard to competing providers of LNG process technology and LNG MCHE. The incentives for the merged entity to engage in these foreclosure strategies depend on the trade-off between lost sales in the compressor trains market and the gains it could derive from favouring Chart's process technology and LNG MCHE.

(208) First, as explained in Sections 6.2.4.1.4 and 6.2.4.1.5, customers and competitors alike agreed these strategies are likely.

(209) Second, the merged entity has multiple different avenues for pursuing a foreclosure strategy, and the Parties can offer different commercial conditions on the projects on which they bid, such that a foreclosure strategy may focus on specific market segments where the strategy would be deemed the most profitable. This ability to discriminate reinforces the likelihood of incentives, given that even if such foreclosure would turn out not to be profitable on the market as a whole, it may well be profitable on certain market segments.

(210) Third, the merged entity is unlikely to suffer many losses, due to its dominance in LNG compressor trains. The merged entity's market shares in the target markets (heat exchangers and process technology) are also comparatively lower, allowing for actual gains to be made by the merged entity.

([183]) Response to RFI 2, Annex 14.

(211) Fourth, there are […] contribution margins on Chart's process technology and LNG MCHE relative to BH's contribution margin on compressors. In absolute terms, Chart's contribution margin on LNG MCHE sales (which includes Chart process technology as it is supplied in conjunction with Chart's MCHE) is approximately […] of BH's contribution margin on compressors for projects with a train capacity below 2 MTPA. Therefore, the potential gains from a foreclosure strategy are expected to be not negligible vis-à-vis the potential losses. Also, such foreclosure strategy could foster Chart's participation in larger projects.

(212) The Notifying Party has submitted an incentive analysis in the form of a vertical arithmetic analysis, aiming at comparing the potential wins and losses from a total foreclosure strategy. ([184]) This analysis focuses on the projects with a train capacity below 2 MTPA and estimated the critical recapture rate (i.e. the minimum percentage of lost sales that must shift to another product within the same conglomerate to make the foreclosure profitable) to […]%. On the other hand, the Parties estimated that the expected recapture rate (i.e. the actual percentage of customers likely to switch to Chart process technology and LNG MCHE when applying a foreclosure strategy) to […]% based on BH's market share on such projects. Because the estimated recapture rate would be lower than the critical capture rate, the Notifying Party considers that the merged entity would not have the incentives to implement a strategy of total foreclosure.

(213) The Notifying Party also submitted an analysis aimed at capturing the incentives of the merged entity to engage in a partial foreclosure strategy by estimating vertical Gross Upward Pricing Pressure Indices ('vGUPPIs') on projects with a train capacity below 2 MTPA. ([185]) The resulting downstream vGUPPId, accounting for elimination of double marginalisation, is estimated by the Notifying Party to be […]%, indicating downward pricing pressure.

(214) The Commission conducted its own calculation of the vertical arithmetic on projects with a train capacity below 2 MTPA. The Commission's assessment confirmed the expected recapture rate of […]% on the basis of BH's market share on such projects. The Commission estimated the critical recapture rate (i.e. the minimum percentage of lost sales that must shift to another product within the same conglomerate to make the foreclosure profitable) to be […]%. This difference in result obtained by the Commission versus what was estimated by the Notifying Party was driven by the estimation of the additional margin stemming from the foreclosure strategy. The Notifying Party estimated the additional margin that would be achieved by the merged entity through the foreclosure strategy on projects where Chart was not selected, as the sum of two terms: (i) the difference in BH's margins between projects where Chart was selected for supply of LNG MCHE and projects where Chart wasn't selected, and (ii) the average margin achieved by Chart on other projects. The Commission considers that the additional margin that would be achieved by the merged entity through the foreclosure strategy on projects where Chart was not selected, would be the average margin achieved by Chart on other projects. Based on the above, the expected recapture rate is largely above the critical recapture rate as estimated by the Commission, and incentives for total foreclosure are likely.

(215) The Commission acknowledges the results obtained by the Notifying Party of a negative vGUPPId of –[…]%. However, the result is strongly driven by the

([184]) Form CO, Annex 198.
([185]) *Ibid.*

claimed elimination of double marginalisation. Absent elimination of double marginalisation, the vGUPPId would be above […]%. The calculation of the vGUPPIs being highly dependent on the level of margins used, the Commission considers that incentives for partial foreclosure are still likely.

(216) In light of the above, and in particular of the difficulty for customers to avoid dealing with BH, and customers' willingness to accept a combined BH and Chart offer ([186]), the Commission considers that the merged entity would post-Transaction likely have the incentive to engage in the foreclosure strategies outlined in paragraphs (205) and (206). This incentive appears in particular very likely on projects with a train capacity below 2 MTPA which are the core of Chart's offering, although the Commission considers that the incentive would still be present regardless of a possible segmentation of the relevant markets for LNG compressors, LNG process technology and LNG MCHE.

6.2.4.3. Impact on effective competition

(217) The Commission considers it more likely than not that a foreclosure strategy could have significant effects on the competitive process by foreclosing rival providers in the global markets for LNG MCHE and LNG process technology. This loss of competition could lead LNG plant operators to face higher costs, which could result in higher fees charged for liquefaction, less liquefaction capacity being brought onto the market or at a slower rate, and/or a reduction in innovation in the market. In the longer term, it cannot be excluded that these effects could ultimately result in higher LNG prices in the EEA.

(218) *First*, the clear majority of both process technology licensors and MCHE suppliers who provided a definitive response to the market investigation expect that the Transaction will negatively impact their company. ([187])

(219) One process technology licensor commented that "*[t]he consequences will be felt immediately and across every stage of the procurement process. Project owners and EPCs will know that Baker Hughes is positioned to favour Chart, making them more likely to gravitate toward Chart-based solutions to the exclusion of [this licensor]".*

(220) Another process technology licensor commented regarding the merged entity's potential foreclosure strategies that "*[t]he longterm impact of this would be to drive […] the smaller liquefaction technology providers out of the market.*" ([188]) In another instance, this process technology licensor submitted that this would result in "*[…] depriving the industry of an important competitive constraint on Chart"* and *"also have the effect of depriving the industry of new technologies and investments.*" ([189])

(221) The Commission considers that the merged entity's potential foreclosure strategies would likely materially weaken the market position of rival process technology licensors and suppliers of MCHE, potentially forcing at least some of them to exit the market entirely.

([186]) Plant owners questionnaire, question F.2.1 and EPC questionnaire, question F.2.1. See also minutes of a call with a plant owner, 12 February 2026; minutes of a call with a plant owner, 9 April 2026.

([187]) Process technology licensors questionnaire, question G.1; MCHE suppliers questionnaire, question G.1.

([188]) Process technology licensors questionnaire, question F.1.1.

([189]) Process technology licensors questionnaire, question F.4.

(222) This risk of market exit is particularly acute in the present case, given the structural characteristics of the procurement process for LNG equipment and process technologies. The market is defined by infrequent, high-value projects, ([190]) where a supplier's prior references are an important selection criterion for customers. ([191]) Under these conditions, exclusion from even a limited number of projects could deprive a competitor of substantial revenue streams and essential references, thereby impairing its ability to submit credible bids for future tenders. Over time, such foreclosure could make continued market participation unsustainable, ultimately forcing the competitor to exit the market.

(223) *Second,* the foreclosure (and potential exit of at least some) of the merged entity's rivals would likely translate into LNG plant operators being faced with higher capital and operating expenditures, which could in turn translate into higher liquefaction costs charged by LNG plants to their customers.

(224) A situation of reduced competition following the foreclosure of its rivals would afford the merged entity the possibility to charge higher prices for its liquefaction equipment to its customers. This would in turn lead to higher capital expenditures faced by customers in the development of future LNG projects.

(225) The Commission notes that the impact in the total construction costs of the LNG project is likely to be material. While responses from plant owners and EPC companies indicate that the share of an LNG plant's total capital expenditure represented by the liquefaction train varies considerably across projects, the average estimate provided by respondents was 30%, with several respondents estimating that it could reach 40% or more. ([192]) Only a minority of these respondents submitted that the percentage lies closer to 10%, which aligns closer with the Notifying Party's own estimates, as explained in paragraph (128). ([193]) ([194])

(226) Moreover, LNG plant operators may also incur higher operating costs as a result of the Transaction. This could stem from the reduced competitive pressure and incentives to innovate (as is further explained in paragraph (236) *et seq.* below), as well as from the risk that the merged entity's products may be selected even when more efficient alternatives would have been available absent the foreclosure, for the reasons explained in paragraph (156) above.

(227) Almost all plant owners confirmed in the market investigation that they typically pass on to their customers the costs for constructing and operating their plants. ([195]) A clear majority of plant owners further submitted that they would likely increase their fees in a new LNG plant, if such plant were developed at higher construction and operating costs compared to the plants they currently operate. ([196])

(228) On the basis of the above, the Commission considers that the foreclosure (and potential exit of at least some) of the merged entity's rivals in the global markets

([190]) See paragraph (97) above.
([191]) See EPCs questionnaire, question D.A.3-2; See also process technology licensor questionnaire, question F.5.
([192]) EPCs questionnaire, question D.C.2; Plant owner questionnaire, question D.C.5.
([193]) *Ibid.*
([194]) Although the compressor train, the MCHE, and the process technology do not cover every component of the liquefaction train, the Parties also provide all other key equipment that they list as part of the liquefaction train. See Form CO, Table 7 and paragraph 590.
([195]) Plant owners questionnaire, questions D.C.2 and D.C.3.
([196]) Plant owners questionnaire, question D.C.3.2.

for the supply of MCHE and the licensing of process technologies can likely result in higher liquefaction costs borne by the customers of LNG plants.

(229) *Third*, an increase in the construction and operating costs faced by new LNG plant projects is likely to result in a slower expansion of liquefaction capacity, thus constraining LNG supply in the market.

(230) To secure financing for an LNG plant project, plant owners must demonstrate its economic viability. This requires plant owners to finalise, prior to obtaining financing, the recovery mechanisms for their construction and operational costs (such as liquefaction fees) through negotiated agreements.

(231) All plant owners who responded to the Commission's market investigation confirmed that such capital expenditure and operating costs recovery mechanisms are either fully or substantially negotiated and agreed prior to financing, ([197]) and that this is a prerequisite for their project to obtain financing. ([198])

(232) As explained by one plant owner, "*[…] liquefaction fees and all material CAPEX and OPEX recovery mechanisms are typically fully negotiated and agreed prior to the financing of an LNG plant project. This is […] a structural requirement of the project finance market that underwrites large-scale LNG infrastructure — and a condition that project finance lenders, institutional equity investors, and development finance institutions impose as a non-negotiable prerequisite for their capital commitment. The sequencing of commercial agreements before financing […] reflects the fundamental logic of project finance — a financing structure in which the lender's security is the project's contracted cash flows rather than the balance sheet of the project sponsor. If those cash flows are not fully contracted and documented before financing closes, the lender has no security — and the financing cannot proceed.*" ([199])

(233) Post-Transaction, the owner of a new LNG plant project operating in a less competitive market environment is likely to face higher construction and operating costs than those currently prevailing, as outlined in paragraphs (224) - (226) above. To secure financing for such a project, the plant owner would need to negotiate customer contracts on commercial terms that reflect these increased costs.

(234) If the commercial terms at which this LNG plant project can be financed are not attractive to its potential customers (e.g. because they do not allow for the desired margin in the downstream LNG wholesale), such LNG project would fail to obtain financing and would, consequently, not materialise. This outcome would not stem from a lack of market demand for the LNG produced but rather from the inability to competitively price the output in line with prevailing market conditions due to increased LNG liquefaction costs. Over the longer term, such scenario could contribute to reduced LNG supply, thereby exerting upward pressure on market prices.

(235) In the words of a process technology licensor, commenting on the potential effects of a foreclosure strategy by the merged entity, "*[t]his could result in the non-Chart LNG project never reaching FID (reducing competition for BH/Chart projects, and reducing supply to European customers).* ([200])

([197]) Plant owners questionnaire, question D.C.4.
([198]) Plant owners questionnaire, question D.C.4.1.
([199]) *Ibid.*
([200]) Process technology licensors questionnaire, question F.F.1.

(236) *Fourth*, in a situation where the merged entity's competitors in the licensing of process technologies and the supply of MCHE are effectively foreclosed and thus less likely to generate sufficient revenues, it is likely that the incentives of such competitors to engage in R&D on their products will reduce.

(237) Currently, all process technology licensors and almost all MCHE suppliers who replied to the Commission's market investigation submitted that they conduct R&D in relation to their products, ([201]) dedicating roughly 1-5% of their annual revenues to innovation efforts. ([202]) One process technology licensor explained that they are "*continuously developing new designs to optimize […] efficiency and/or to provide designs to meet unique market demands.*" ([203])

(238) Several process technology licensors and MCHE suppliers submitted that the Transaction would have a negative impact on their ability and incentive to conduct R&D, ([204]) resulting in "*depriving the industry of an important competitive constraint on Chart*" and also "*[…] depriving the industry of new technologies and investments.*" ([205])

(239) In the absence of sufficient competitive pressure, the merged entity's incentives to innovate in the development of liquefaction equipment and process technologies would likewise materially reduce. Post-Transaction, this reduction in innovative efforts could lead to liquefaction trains with lower operational efficiency and higher operating costs for plant owners, compared to a counterfactual scenario in which the Parties and their competitors continued to pursue innovation efforts aimed at improving such efficiency. Such an outcome would be detrimental to both LNG plant owners and downstream LNG customers, for the reasons set out in paragraph (234) above.

(240) Concerns regarding the potential adverse effects of the Transaction on innovation were also raised in the market survey commissioned by BH, as documented in BH's internal document titled "Day 15 Update". In that survey, one respondent submitted that "[…]" ([206])

(241) *Fifth*, while the Commission understands that formation of prevailing LNG prices is a complex process that is affected by several variables, ([207]) based on the above considerations it cannot be excluded that the Transaction will lead to an increase in global LNG prices, including prices of LNG imported to the EEA.

(242) As already explained in paragraph (234) above, the increased construction and operating costs likely resulting from the Transaction could undermine the bankability of future LNG plant projects, resulting in them not obtaining financing and thus not proceeding to the construction phase. A reduction in the development of new LNG production capacity that would have otherwise been constructed to

([201]) Process technology licensors questionnaire, question E.B.1; MCHE suppliers questionnaire, question E.B.1.

([202]) Process technology licensors questionnaire, question E.B.2; MCHE suppliers questionnaire, question E.B.2.

([203]) Process technology licensors questionnaire, question E.B.3.1.

([204]) Process technology licensors questionnaire, question F.4; MCHE suppliers questionnaire, question F.4.

([205]) Process technology licensors questionnaire, question F.4.

([206]) Response to RFI 2, Annex 14.

([207]) Such as e.g. long-run LNG demand and supply, including energy substitutes (oil, renewables), indexation to other sources of energy (e.g. oil) and trading hubs, demand from competing global buyers, global LNG capacity, transport and logistics costs, regasification capacity and costs, and the political and regulatory environment. See Form CO, paragraph 814.

meet additional demand would, in turn, constrain future supply and contribute to higher LNG prices.

(243) Moreover, even when future LNG plant projects would reach the operational phase despite facing higher construction and operating costs, it is likely that such cost increases will be passed on to the LNG plant's customers (i.e. the gas wholesalers), and, through the LNG wholesale prices, to the final consumer including in the EEA. ([208])

(244) As discussed in paragraph (230) *et seq.* above, obtaining financing for the LNG plant to materialise at all requires the plant owner to demonstrate to its lenders agreements that guarantee the plant's economic viability, ([209]) including fully executed, long-term supply agreements with credit-worthy customers, covering a substantial proportion of the plant's total expected capacity. ([210])

(245) For instance, in the United States, the largest LNG-exporting country globally, ([211])LNG plant developers must typically present to their lenders executed 20-year supply contracts, covering around 80% of the plant's projected capacity. ([212]) As explained by one plant owner, "*the commercial agreements that generate the contracted cash flows must be fully executed — with all material terms including liquefaction fees, CAPEX recovery mechanisms, OPEX pass-through provisions, take-or-pay obligations, contract tenor, and performance remedy structures agreed and documented — before project finance lenders will commit their capital to the project.*" ([213]) Similarly, another plant owner commented that "*[c]losing debt and equity funding typically requires binding execution of all commercial terms in a LNG Sales and Purchase Agreements and/or Tolling Services Agreements."* ([214])

(246) The situation is not materially different outside the United States, as confirmed by respondents owning plants in different parts of the world. ([215])

(247) Post-Transaction, as a prerequisite to obtaining financing, new LNG plant projects would need to conclude long-term supply agreements at higher prices than currently, in order to reflect the higher construction and operating costs that will likely result from the Transaction. Considering that BH is already dominant in the supply of LNG compressor trains, and that the merged entity will post-Transaction face even less competition, such cost increase is likely to affect nearly all future LNG plants.

(248) As a result, the higher costs of new marginal LNG production would likely put upwards pressure on the price floor faced by LNG plant customers (i.e. gas wholesalers). In turn, this may place upward pressure on wholesale LNG prices globally, including in the EEA. In fact, LNG prices are increasingly formed on a

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([208]) This conclusion also follows from the considerations outlined in paragraph (233) *et seq*. above. In fact, for an LNG project to obtain financing despite facing higher construction and operating costs, it would imply that it has successfully contracted its LNG production capacity to customers, which would further imply that the prevailing LNG prices have sufficiently increased (*i.a.* due to the interim insufficient supply), such that procuring the LNG at higher cost would nontheless be economically sensible.

([209]) Plant owners questionnaire, question D.C.4.

([210]) Plant owners questionnaire, question D.C.4.1.

([211]) See https://www.eia.gov/Todayinenergy/detail.php?id=64844

([212]) Minutes of a call with DG ENER, 20 March 2026.

([213]) Plant owners questionnaire, question D.C.4.1.

([214]) *Ibid.*

([215]) See plant owners questionnaire, questions D.C.4. and B.1.

global basis, despite regional variations stemming from transportation costs, infrastructure constraints, contractual arrangements, and local supply-demand balances. ([216])

(249) The link between increased liquefaction costs and increased LNG prices was further identified in a recent expert commentary dating from May 2026, which observes that "*[t]he upward shift in marginal liquefaction costs is raising the structural price floor of the LNG market. As new supply increasingly depends on higher-cost projects, prices must settle at levels sufficient to support investment, particularly during periods of demand growth. While short-term volatility will persist, long-term pricing is becoming more anchored in project economics, with marginal cost playing a growing role in price formation. As a result, LNG markets are likely to operate within a structurally higher price range than in the past.*" ([217])

(250) *Lastly,* since the Notifying Party made no substantiated submissions on the potential efficiencies that would arise from the Transaction, ([218]) the Commission cannot conduct a proper analysis of such potential efficiencies. In any case, the Commission notes that, while in general the integration of complementary activities within a single firm may produce efficiencies that can ultimately benefit customers, ([219]) this does not appear likely in the present case. In fact, as explained in paragraphs (218) - (228) above, in a situation where the merged entity will be able to foreclose its rivals (potentially even forcing them to exit the market), it is unlikely that the customers will stand to benefit in the long term. While in the short-term customers may see some advantages in terms of benefitting from a one-stop-shop for their liquefaction equipment and process technologies, this is unlikely to outweigh the increased costs customers would face once the competitiveness of the merged entity's rivals has been compromised, and the merged entity will be enabled to increase its margins.

(251) In view of the foregoing, it is likely that the foreclosure strategies outlined in paragraphs (205) and (206), which the merged entity would have both the ability and incentive to pursue, would have significant negative effects on competition.

6.2.5. Conclusion

(252) In light of the above, the Commission considers that the Transaction gives rise to serious doubts with regard to its compatibility with the internal market and with the functioning of the EEA Agreement in respect of the risk of leveraging BH's position in the supply of LNG compressors to benefit Chart's LNG process technology and LNG MCHE.

6.3. Access to sensitive information

(253) The Commission considers that the Transaction will likely result in the merged entity exploiting commercially sensitive information of rival LNG process

([216]) See Gas Market Report, Q1-2026, International Energy Agency: "*Correlation between Asian and European prices reached a new all-time high reflecting the increasingly globalised nature of natural gas markets.*" Available at: https://iea.blob.core.windows.net/assets/f746c0aa-03f3-47ba-a0d9-b45c3c758150/GasMarketReport%2CQ1-2026.pdf

([217]) Galia Fazeliyanova*, Marginal Cost of Liquefaction: Implications for LNG Market Dynamics,* Gas Exporting Countries Forum (GECF), May 2026, Section 7.2, p. 16. Available at: https://www.gecf.org/Portals/0/xBlog/uploads/2026/5/7/2026-05-04MarginalcostliquefactionECFINAL.pdf

([218]) Form CO, Section 11.

([219]) See Non-Horizontal Merger Guidelines, para. 13.

technology providers to favour Chart's offering. This could result in the reduction of rivals and the merged entity's incentives to innovate, as well as the reduction of rivals' ability to compete, to the detriment of customers. Accordingly, and for the reasons that are set out below, the Transaction gives rise to serious doubts as to its compatibility with the internal market and with the functioning of the EEA Agreement.

6.3.1. Legal framework

(254) Non-horizontal non-coordinated effects can also arise when the merged entity, by vertically integrating, gains access to commercially sensitive information regarding the upstream or downstream activities of rivals. ([220])

(255) This theory of harm differs from the vertical non-coordinated effects described in paragraphs 29 to 77 of the Non-Horizontal Merger Guidelines in so far as it does not require the merged entity to engage in a conduct that ultimately forecloses rivals. Rather, the competitive harm is linked to the possibility to access commercially sensitive information on the merged entity's rivals that is acquired through the merger. Paragraph 78 of the Non-Horizontal Merger Guidelines mentions two examples of competitive harm: the access to commercially sensitive information could allow the merged entity to price less aggressively to the detriment of consumers; or put competitors at a competitive disadvantage.

6.3.2. Commission's assessment

(256) During the market investigation, several process technology licensors submitted that BH, through the interaction between its compressor trains and its proprietary process technology, both at the design stage as well as in operational LNG plants, has access to proprietary technical information relating to those process technologies. Prior to the Transaction such information is commercially indifferent to BH, since it is not active in the licensing of process technologies, and would arguably also lack the technical capabilities to make use of such information. However, the Transaction will afford the merged entity both the expertise and the incentive to commercially exploit such information, with a view to benefitting its own process technology offering.

(257) With regard to information exchange at the design stage of an LNG plant project, a process technology licensor explained that the FEED ([221]) phase involves multiple iterations of exchange of data with the compressor train supplier, "*which is almost always Baker Hughes"*, ([222]) that are "*[…] highly sensitive and proprietary, constituting the core of [this licensor]'s differentiated technical offering*". ([223]) This process technology licensor further submitted that this is information "*[…] which Baker Hughes could use to advantage Chart in various ways"*. ([224])

(258) In a similar vein, another process technology licensor explained that "*[w]hen a client or EPC engages with BH, BH […] receives detailed information regarding process design, including turbomachinery operation and operating conditions.*

([220]) Non-Horizontal Merger Guidelines, paragraph 78. The legal soundness of paragraph 78 of the Non-Horizontal Merger Guidelines was confirmed by the General Court in its judgment of 18 May 2022 in case T-251/19 - Wieland-Werke v Commission, EU:T:2022:296, para. 88.

([221]) "FEED" stands for "Front-End Engineering Design".

([222]) See response of this respondent to process technology licensors questionnaire, question D.B.3.

([223]) Process technology licensor questionnaire, question D.B.1.2.

([224]) Written submission by a process technology licensor dated 19 May 2026.

Such operating data is typically shared during the pre-FEED stage, meaning that early-stage information flows into subsequent project phases. If obtained at this stage, BH could use this information to improve its own technology offering." ([225])

(259) As regards information exchanged during the operations of an LNG plant, a process technology licensor submitted that "*[…] while the plant is operational, the turbomachinery accesses the full data set of the gas streams (which includes flow rates, temperature, pressure and chemical composition – in other words, the "full genetic code" of the LNG technology), meaning that data is available to the turbomachinery supplier (i.e., to Baker Hughes). The LNG technology provider also provides the turbomachinery supplier with information about the operational optimization of the equipment—e.g. how the turbomachinery operating settings are varied (speed, power, recycle, temperature, pressure)—which is otherwise secret information not shared with other suppliers."* ([226])

(260) This process technology licensor further explained that its process technology "*[…] has a key competitive advantage in its ability to start up and shut down plants rapidly. In the event of an approaching hurricane for example, it allows operators to delay shutdown until the last moment, whereas other technologies require approximately one day for shutdown and up to two to three days to restart (while [this licensor] can shut the plant down in one hour, and get it restarted in a couple of hours). There is a concern that BH, through access to project data, could leverage this know-how and give it to its liquefaction teams to replicate similar processes. These trade secrets represent advantages developed by [this licensor] over a long period of time, but BH would have access to sufficient technical intelligence to potentially use this information to favour Chart's technology.*" ([227])

(261) The Commission notes that, while BH already pre-Transaction receives the relevant information on process technologies with which its compressor trains interface within a given LNG plant project, the Transaction will for the first time afford it both the incentive and the technical capabilities to commercially exploit such information.

(262) Pre-Transaction, BH is not active in the market for licensing process technologies for LNG plants on a standalone basis and as such has no commercial interest in the relevant information. Post-Transaction, however, it will have an interest in accessing and exploiting proprietary information that set out its rival's process technologies, with a view to implementing their distinguishing features also in its own process technology offering.

(263) Moreover, prior to the Transaction, BH arguably lacks the technical capabilities required to process third parties' proprietary process technology. Specifically, BH does not design or implement its own proprietary process technology on a standalone basis, limiting its ability to analyse or utilise confidential information of process technology licensors. ([228]) Post-Transaction, the merged entity will incorporate Chart's IPSMR process technology development team, a specialised group of engineers responsible for designing, improving and deploying Chart's

([225]) Minutes of a call with a process technology licensor, 13 May 2026.
([226]) Process technology licensors questionnaire, question D.B.2.
([227]) Minutes of a call with a process technology licensor, 13 May 2026.
([228]) BH provides an SMR process technology as part of its prefabricated module offering, but this is based on an open-source model. BH does not engage in the development and licensing of proprietary process technologies on a standalone basis, like Chart and other process technology licensors do. See Form CO, paragraph 684.

proprietary process technology. ([229]) By integrating this expertise, the merged entity will likely acquire the technical capacity to process proprietary information from rival process technologies obtained through its compressor trains. This would likely enable it to reverse engineer such technologies and replicate elements that confer a competitive advantage over Chart's IPSMR in specific applications.

(264) Given BH's dominance in the supply of LNG compressor trains, rival process technology licensors will post-Transaction have no choice but to participate in projects where the compressor train will be supplied by BH, thereby making their proprietary information available to the merged entity. Given that it supplies the vast majority of LNG compressor trains worldwide, BH would obtain a deep insight into most likely all process technology providers' confidential information. This would enable the merged entity to replicate the differentiating features of its process technology rivals and implement them into its own offering, which would make it more compelling than its competition. As a result, competing process technology licensors would likely become less competitive and over time lose market presence.

(265) Furthermore, innovation in process technologies is likely to decline post-Transaction. The merged entity's weakened rivals would have fewer resources to invest in research and development aimed at improving their process technologies. In addition, rivals would lose the incentives to allocate funds and efforts to such improvements, if their proprietary information was unprotected and could be exploited by the merged entity. Similarly, in a less competitive environment, where it could also appropriate competitor's innovations, the merged entity would likely face reduced incentives to pursue its own research and development in process technology.

(266) As a result, the Commission considers that the reduction in competitive pressure and the corresponding decline in incentives to innovate are likely to harm customers. In particular, the merged entity will likely acquire the ability to charge higher prices for its process technology, given that customers will face reduced choice due to competing process technology licensors being marginalised. Furthermore, the pace of innovation is likely to slow, leading to lower-quality products, to the detriment of customers.

6.3.3. Conclusion

(267) On the basis of the above considerations, the Commission concludes that the Transaction raises serious doubts with regard to its compatibility with the internal market and with the functioning of the EEA Agreement in respect of the risk of the merged entity gaining access to and exploiting proprietary information of its rivals in the licensing of LNG process technologies.

6.4. Entrenchment of dominance

(268) The Commission also received complaints that the Transaction gave rise to the risk that the Transaction would entrench BH's dominant position in the supply of LNG compressor trains through its combination with Chart's LNG process technologies. ([230]) This is because the choice of process technology can dictate which compressors are compatible, and customers typically select a process

([229]) See Form CO, paras. 1163 and 1153 – 1157. See also response to RFI 13.
([230]) Compressor train suppliers questionnaire, question F.1.2.

technology first in the procurement process, meaning that Chart's process technology could be an important channel for BH to acquire customers for its compressor train business. ([231]) In particular, market players complained that the Transaction could restrict the ability and incentives of rival LNG compressor firms to effectively compete by, for example, making changes to Chart's LNG process technologies to ensure that LNG compressor train suppliers other than BH would not technically be able to compete. This could lead to BH acquiring additional customers and raising barriers for rivals to enter or expand in the market for LNG compressors, and through a reduction in competition in this market, result in higher prices for plant owners and EPCs, which could ultimately translate to higher LNG prices.

(269) The Commission considers that the Final Commitments submitted by the Parties address this concern by divesting Chart's LNG process technology assets, thereby depriving the merged entity of its customer acquisition channel in order to conduct such a strategy. The Commission therefore does not find it necessary to conclude whether serious doubts arise with respect to this theory.

6.5. Prefabricated modules for liquefaction of natural gas

(270) Additional complaints raised concerns that the merged entity could i) foreclose competing suppliers of prefabricated modules by restricting their access to BH's compressor trains, thereby affecting their ability to compete with BH's prefabricated modules; and (ii) engage in customer foreclosure, by sourcing MCHE exclusively from Chart for use in BH's prefabricated modules, thereby restricting competing MCHE suppliers' access to BH as a customer.

6.5.1. Input foreclosure of compressor trains

6.5.1.1. Legal framework

(271) According to the Non-Horizontal Merger Guidelines, there are two broad types of non-horizontal mergers: vertical and conglomerate mergers. ([232]) There are also two main ways in which a non-horizontal merger may significantly impede effective competition: through non-coordinated effects and through coordinated effects. ([233]) Non-coordinated effects principally may arise when non-horizontal mergers give rise to foreclosure – i.e., where actual or potential rivals' access to supplies or markets is hampered or eliminated as a result of the merger. ([234])

(272) Specifically with respect to vertical relationships, in its assessment of non-coordinated effects, the Commission analyses whether a merger leads to anti-competitive input foreclosure. Two forms of vertical foreclosure can be distinguished: (i) where the merger is likely to raise the costs of downstream rivals by restricting their access to an important input (input foreclosure), and (ii) where the merger is likely to foreclose upstream rivals by restricting their access to a sufficient customer base (customer foreclosure). ([235]) On both types of vertical foreclosure, the Commission examines whether the merged entity would have, as a result of the merger, the ability to foreclose substantially access to inputs or to

([231]) Compressor train provider questionnaire, question D.A.1-D.A.2; Process technology licensors questionnaire, question D.A.2, Plant owners questionnaire, question D.A.2, EPCs questionnaire, question D.A.2.
([232]) Non-horizontal Merger Guidelines, Sections IV. and V.
([233]) Non-horizontal Merger Guidelines, para. 17.
([234]) Non-horizontal Merger Guidelines, para. 18.
([235]) Non-horizontal Merger Guidelines, para. 30.

a sufficient customer base, and whether it would have the incentive to engage into these inputs foreclosure or customer(s) (i.e., whether this would be a profitable behaviour). The Commission then examines whether a foreclosure strategy would have a significant detrimental effect on competition downstream. ([236]) These conditions are cumulative.

6.5.1.2. Notifying Party's view

(273) The Notifying Party submits that there is no separate market for prefabricated modules, as modularisation is merely an alternative method of constructing LNG modules, alongside stick-built construction (See Section 5.1.4.2).

(274) The Notifying Party further asserts that, even if a separate market for prefabricated modules were considered, BH would not hold market power. Although figures point to high market shares (approximately [60-70]%, see Table 4), these are not representative of the competitive landscape, since BH supplies prefabricated modules to […]. ([237])

6.5.1.3. Commission's assessment

(275) The Commission considers that the concentration is unlikely to materially alter BH's incentive with respect to the supply of compressor trains to its competitors in the downstream market for the supply of prefabricated modules. Prior to the Transaction, BH already supplied compressor trains to competing entities for their prefabricated modules solutions. Accordingly, BH was already in a position to restrict or interrupt supplies, subject to the incentive prevailing at the time.

(276) In these circumstances, the Commission considers that the alleged input foreclosure strategy is not merger-specific. To the extent that BH had an economic incentive to restrict or interrupt supplies of compressor trains to its competitors in the supply of prefabricated modules, such incentive already existed prior to the Transaction. Conversely, to the extent that such a strategy was not commercially attractive before the Transaction, the evidence from the market investigation does not indicate that the Transaction would materially alter that assessment. ([238])

(277) Accordingly, the Commission concludes that the Transaction does not raise serious doubts as to its compatibility with the internal market and withthe functioning of the EEA Agreement in relation to the alleged input foreclosure in the supply of compressor trains to competitors in the supply of prefabricated modules.

6.5.2. Customer foreclosure

6.5.2.1. Legal framework

(278) Customer foreclosure occurs where the merger is likely to foreclose upstream competitors by restricting their access to a sufficient customer base. ([239])

(279) In customer foreclosure the Commission assess two cumulative conditions: whether the merged entity would have, as a result of the merger, the ability to foreclose substantially access to a sufficient customer base, and whether it would have the incentive to engage into this or customer(s) foreclosure (i.e., whether this

([236]) Non-horizontal Merger Guidelines, para. 32.
([237]) Form CO, para. 916.
([238]) EPCs questionnaire, G.7. and G.7.1.
([239]) Non-Horizontal Merger Guidelines, para. 30.

would be a profitable behaviour). The Commission then examines whether a foreclosure strategy would have a significant detrimental effect on competition downstream. ([240]) When considering whether the merged entity would have the ability to foreclose access to downstream markets, the Commission examines whether there are sufficient economic alternatives in the downstream market for the upstream rivals to sell their output. Moreover, the customer foreclosure must involve an entity which is an important customer with a significant degree of market power in the downstream market. If, on the contrary, there is a sufficiently large customer base, at present or in the future, that is likely to turn to independent suppliers, the Commission is unlikely to raise competition concerns on that ground. ([241])

6.5.2.2. Notifying Party's view

(280) The Notifying Party has not provided any view on the alleged restriction of competing MCHE suppliers' access to BH as a customer.

6.5.2.3. Commission's assessment

(281) The Commission's market investigation shows that BH's prefabricated modules business is expected to account for a significant part of the demand for MCHE over the next 5 years. In this context, following the Transaction, Chart would be able to cover all of BH's demand for MCHEs for its prefabricated modules solution. However, BH has historically sourced the MCHE used in its prefabricated modules exclusively from Chart, therefore the Transaction would have no impact on the customer base available to third party MCHE suppliers. ([242]) To the extent that competing MCHE suppliers did not supply BH prior to the notification of the Transaction, the alleged customer foreclosure strategy is therefore not merger specific. This is further supported by the results of the market investigation which suggest that MCHE suppliers would continue to have access to a sufficient customer base for their MCHEs, even if BH were to (continue to) source all of its MCHEs from Chart. ([243]) In this regard, it should be noted that the customer base for MCHE suppliers is not limited to prefabricated modules suppliers but also includes purchasers of MCHEs for stick-built production. In fact, as evidenced by the market investigation, MCHEs designed for stick-built construction are either directly or with limited modifications suitable for prefabricated modules. ([244]) This indicates that a degree of demand-side and supply-side substitutability exists between the two applications.

(282) The Commission therefore concludes that the Transaction does not raise serious doubts as to its compatibility with the internal market and with the functioning of the EEA Agreement in relation to the alleged customer foreclosure, as the merged entity would lack the ability to engage in a such conduct.

6.6. Hydrogen liquefaction equipment

(283) In the market investigation the Commission inquired whether the Transaction would have an impact on any other markets, beyond those relating to the liquefaction of natural gas. A limited number of respondents submitted that the

([240]) Non-horizontal Merger Guidelines, para. 32.
([241]) Non-horizontal Merger Guidelines, para. , 61.
([242]) Form CO, para. 783.
([243]) MCHE suppliers questionnaire, E.D.1. – E.D.2.3.
([244]) EPCs questionnaire, G.2.

Transaction could potentially have an impact in the market for hydrogen liquefaction, without however substantiating in detail the ways in which this impact could materialise.

(284) One competitor, for instance, submitted that "*[h]ydrogen liquefaction requires compressors + cryogenic equipment. In an early-stage market shaping, the merged entity could define reference plant designs, embed its technology stack early, setting a strong advantage in "first-mover standard setting*. ([245]) Similarly, another competitor submitted that the merged entity could "*leverage the "one stop shop" concept"*, ([246]) also with reference to hydrogen liquefaction equipment. The Commission understands that these submissions refer to a potential bundling or tying of the merged entity's offerings in relation to hydrogen liquefaction equipment.

(285) By contrast, other respondents referred to Chart's acquisition of Howden in 2023, a supplier of air and gas handling products and services, the product portfolio of which includes compressors, steam turbines, rotary blowers, single and multi-stage centrifugal blowers and other air and gas handling equipment. ([247]) One customer for instance submitted that "*[i]n hydrogen liquefaction, which requires specific refrigeration compressors, the competition may be impacted by the acquisition of Chart by BH. In this domain, Chart owns Howden, a supplier of compressors adapted to the hydrogen liquefaction process conditions. BH being also a supplier of compressors in this domain, the acquisition may reduce the number of suppliers in competition.*" ([248]) The Commission understands that the submissions in relation to Howden's product portfolio relate to potential horizontal overlaps in hydrogen liquefaction applications, and in particular to the potential loss of future competition between the compressor offerings of BH and Chart's Howden business.

(286) The Commission, however, notes that the evidence available to it does not support the view that competition concerns arise in relation to the Parties' activities in the supply of equipment used in hydrogen liquefaction.

(287) As regards potential conglomerate effects, the Commission notes that its considerations outlined in Section 6.2.4 above in relation to LNG applications do not apply *mutatis mutandis* in relation to hydrogen liquefaction equipment. According to the Parties, although they are both active in the broader hydrogen value chain, they are largely active in different segments, serving different customers, ([249]) addressing different technical needs and operating in different project environments, such that their activities do not give rise to conglomerate effects. ([250])

(288) More specifically, according to the Notifying Party, BH's hydrogen activity focuses on upstream and midstream compression and pipeline operations. BH's offerings are procured by pipeline operators, energy infrastructure developers, oil and gas companies and hydrogen project developers. In addition to dispensing,

([245]) Compressor train suppliers questionnaire, question G.3.1.
([246]) *Ibid.*
([247]) Form CO, paras. 91 and 111. For the avoidance of doubt, the Notifying Party's submissions include the activities of Howden as part of Chart, which the Commission has considered in its assessment of the Transaction.
([248]) Plant owners questionnaire, question G.3.1.
([249]) With the exception of reciprocating compressors for use in hydrogen applications, as discussed in paragraph (289) below.
([250]) Form CO, para. 1051.

Chart's activities mainly relate to cryogenic, liquefaction, storage, and transport segments that are distinct from BH's hydrogen activities. Chart's offerings therefore serve different types of customers compared to BH, including industrial gas firms, cryogenic EPCs, hydrogen mobility developers, chemical producers, and energy producing companies. ([251])

(289) As regards the horizontal overlap in the supply of reciprocating compressors for hydrogen uses cases between BH and Chart's Howden business, the Notifying Party submits that their combined worldwide market share is approximately [10-20]%. ([252]) Accordingly, such overlap does not result in an affected market.

(290) On the basis of the foregoing, and considering that any concerns in relation to the Parties' activities in the supply of hydrogen liquefaction equipment expressed in the market investigation were not sufficiently substantiated, the Commission concludes that the Transaction does not raise serious doubts as to its compatibility with the internal market and with the functioning of the EEA Agreement in relation to such activities of the Parties.

7. PROPOSED REMEDIES

(291) In order to address the serious doubts as to the Transaction's compatibility with the internal market and the functioning of the EEA Agreement, the Parties submitted a set of commitments under Article 6(2) of the Merger Regulation on 19 June 2026 (the "First Commitments"). The Commission submitted the Commitments to a market test in order to assess whether they were sufficient and suitable to remedy the serious doubts identified in Section 6 above. Following the feedback received from the market test, the Parties submitted amended commitments on 6 July 2026 (the "Final Commitments"). The Final Commitments are annexed to this Decision and form an integral part thereof.

7.1. Framework for the assessment of the commitments

(292) Where a concentration raises serious doubts as regards its compatibility with the internal market and the functioning of the EEA Agreement, the merging parties may undertake to modify the concentration to remove the grounds for the serious doubts identified by the Commission. Pursuant to Article 6(2) of the Merger Regulation, where the Commission finds that, following modification by the undertakings concerned, a notified concentration no longer raises serious doubts, it shall declare the concentration compatible with the internal market and with the functioning of the EEA Agreement pursuant to Article 6(1)(b) of the Merger Regulation.

(293) As set out in the Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004 (the "Remedies Notice") ([253]), the commitments have to eliminate the competition concerns entirely, and have to be comprehensive and effective from all points of view. ([254])

(294) In assessing whether commitments will maintain effective competition, the Commission considers all relevant factors, including the type, scale and scope of

([251]) Form CO, para. 1052.
([252]) Form CO, para. 1048.
([253]) OJ C 267, 22.10.2008, p. 1.
([254]) Paragraph 9 of the Remedies Notice.

the proposed commitments, with reference to the structure and particular characteristics of the market in which the transaction is likely to significantly impede effective competition, including the position of the parties and other participants on the market. ([255])

(295) In order for the commitments to comply with those principles, they must be capable of being implemented effectively within a short period of time. Concerning the form of acceptable commitments, the Merger Regulation gives discretion to the Commission as long as the commitments meet the requisite standard.

(296) Structural commitments will meet the conditions set out above only in so far as the Commission is able to conclude with the requisite degree of certainty, at the time of its decision, that it will be possible to implement them, and that it will be likely that the new commercial structures resulting from them will be sufficiently workable and lasting to ensure that serious doubts are removed. ([256]) Divestiture commitments are normally the best way to eliminate competition concerns resulting from horizontal overlaps.

(297) When assessing the remedies proposed by the parties, the Commission has the duty to ensure that the remedies would be effective in practice. In order for the commitments to remove the competition concerns entirely and be comprehensive and effective, there has to be an effective implementation and ability to monitor the commitments.([257]) Whereas divestitures once implemented do not normally require any further monitoring measures, other types of commitments require effective monitoring mechanisms in order to ensure that their effect is not reduced or even eliminated by the parties. Otherwise such commitments would have to be considered as mere declarations of intentions by the parties and would not amount to binding conditions and obligations, as, due to the lack of effective monitoring mechanisms, it is unlikely that the Commission would be able to detect any breach and, if necessary, to revoke the decision according to Article 8(6)(b) of the Merger Regulation or to impose fines as per Article 14(2)(d) of the Merger Regulation.

(298) Where the parties submit remedies proposals that are so extensive and complex that it is not possible for the Commission to determine with the requisite degree of certainty, at the time of its decision, that they will be fully implemented and that they are likely to maintain effective competition in the market, an authorisation decision cannot be granted. The Commission may reject such remedies in particular on the grounds that the implementation of the remedies cannot be effectively monitored and that the lack of effective monitoring diminishes, or even eliminates, the effect of the commitments proposed. ([258])

(299) It is against those principles that the Commission assessed the viability, the effectiveness and the ability of the proposed commitments to entirely eliminate the serious doubts identified in Section 6 of this Decision, namely the risk that the merged entity would (i) use its dominance in LNG compressors to foreclose competing providers of LNG process technology and LNG MCHE (Section 6.2), or (ii) gain access to and exploit competitively sensitive information of rival licensing LNG process technologies through BH's LNG compressor division (Section 6.3).

([255]) Paragraph 12 of the Remedies Notice.
([256]) Paragraph 10 of the Remedies Notice
([257]) Paragraph 13 of the Remedies Notice
([258]) Paragraph 14 of the Remedies Notice.

7.2. The First Commitments

7.2.1. Description of the First Commitments

(300) The First Commitments consist of (i) an undertaking to divest Chart's integrated pre-cooled single mixed refrigerant ('IPSMR') technology assets and some staff (the 'Divestment Business'), to a suitable purchaser (the 'Purchaser') (the 'IPSMR Divestment'), and (ii) undertakings to ensure that LNG process technology and LNG compressor trains provided by third parties interact with the merged entity's LNG cold boxes in the way they are intended to (the 'Cold Box Interoperability Obligations').

(301) As regards the IPSMR Divestment, the Divestment Business will contain the following main assets relating to Chart's IPSMR (which includes its IPSMR+ technology and its IPDMR technology in development, but excludes any of Chart's process technology solutions related to small-scale LNG plants), without limitation:

(1) all of Chart's patents and patent applications exclusively related to IPSMR (the 'IPSMR Patents'); ([259])

(2) all of Chart's technical information, trade secrets, expertise and know-how used in the design and provision to its customers of IPSMR (the 'IPSMR Know-How');

(3) the IPSMR trademark and any other trademarks specific to IPSMR (the 'IPSMR Trademark');

(4) up to seven Chart engineers with expertise in IPSMR design and Implementation (the 'Key Personnel');

(5) the benefit of a transitional supply agreement whereby the Parties will supply LNG cold boxes to the Purchaser for use with IPSMR (the 'Cold Box Supply Agreement'). The Cold Box Supply Agreement will be at cost plus a commercially reasonable margin and last five years after closing of the IPSMR Divestment. It will involve firewall procedures to ensure that any competitively sensitive information of the Purchaser will not be passed outside Chart's cold box business.

(302) Moreover, with the aim of ensuring a smooth transfer of the Divestment Business, the Parties commit to provide transitional support to the Purchaser, namely engineering support for the transition of the IPSMR know-how (the 'Transitional Support'). The Transitional Support will be at cost and for a period of up to twelve months after closing of the IPSMR Divestment.

(303) Under the First Commitments, the choice of Purchaser is subject to the approval of the Commission. In order to be eligible, the Purchaser must be independent from the Parties, have the financial resources and proven expertise, ability and incentive to develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors, and not be likely to create prima facie competition concerns or a risk of delay to the implementation of the Commitments (together, the 'Purchaser Requirements'):

([259]) The terms of the IPSMR Divestment will enable the continued use (on a non-exclusive basis) of the IPSMR Patents, IPSMR Know-How and IPSMR Trademarks by the merged entity and its existing licensees for their existing LNG projects.

(304) As regards the Cold Box Interoperability Obligations, the Parties commit to ensure that:

(1) LNG cold boxes supplied by the merged entity to customers (including the Purchaser) interact with LNG process technology as intended, by providing customers with customary and commercially reasonable (i) access to relevant technical information, drawings and specifications regarding LNG cold boxes, (ii) engineering support to ensure that these LNG cold boxes and LNG process technology can interface, and (iii) aftermarket services in line with applicable industry standards (the 'Cold Box Customer Obligation');

(2) LNG cold boxes of third parties interact with the merged entity's LNG compressor trains as intended, by providing LNG cold box suppliers with customary and commercially reasonable (i) access to relevant technical information, drawings and specifications regarding LNG compressor trains, (ii) engineering support to ensure that the LNG cold boxes and LNG compressor trains can interface, (iii) aftermarket services in line with applicable industry standards (the 'Cold Box Supplier Obligation').

(305) In each case, the Cold Box Interoperability Obligations are at the relevant customer/cold box supplier's request and will be provided on non-discriminatory terms. The merged entity and its relevant counterparty will enter into an intellectual property and confidentiality agreement in line with the terms used by the merged entity with other customers. The Cold Box Interoperability Obligations will last 10 years from the date of adoption of this Decision.

(306) In addition, the Parties have entered into related commitments, inter alia regarding the separation of the Divestment Business from their retained businesses, the preservation of the viability, marketability and competitiveness of the Divestment Business, including the appointment of a monitoring trustee and, if necessary, a divestiture trustee.

7.2.2. The Parties' views

(307) The Parties submit that the First Commitments would eliminate the Commission's serious doubts in relation to the Transaction.

(308) As regards the IPSMR Divestment, the Parties argue that the Divestment Business represents Chart's LNG process technology that could be used together with BH's LNG compressors. They submit that Divestment Business involves a successful LNG process technology with a proven track record that will be attractive for a Purchaser. ([260]) It will enable the Purchaser to develop and market LNG process technology. In view of the Cold Box Supply Agreement, the Purchaser will be able to sell the same combination of LNG process technology and LNG cold boxes that Chart does, while the Purchaser develops an alternative IPSMR/cold box solution if it desires. ([261]) They submit that divesting Chart's IPSMR removes the merged entity's ability to engage in any bundling or tying regarding LNG compressor trains and process technology, or to benefit from Chart's LNG process technology as a customer acquisition channel, given that the merged entity would no longer own Chart's IPSMR. ([262]) It also submits the merged entity would have less of an incentive to foreclose rival MCHE suppliers through its dominance in

([260]) Form RM, para. 98.
([261]) Form RM, para. 12(a)-(b).
([262]) Form RM, paras. 19-21, 30-31.

LNG compressor trains. This is because the gains of such strategy would be more limited (gaining only the MCHE margin), and because Chart's IPSMR is the main driver for its recent successes in MCHE (thus the divestment would reduce recapture). ([263]) Finally, it considers that the merged entity will not be able to use confidential information obtained by BH's LNG compressor division to benefit Chart's LNG process technology business, is it will no longer own IPSMR. ([264])

(309) The Parties argue that the exclusion of Chart's process technology solutions for small-scale LNG plants does not affect the viability of the Divestment Business or the effectiveness of the Commitments. This is because Chart's small-scale LNG solutions are based on open art (non-proprietary) technology that is available to everyone and unrelated to IPSMR. Moreover, it notes that BH does not have LNG compressor trains suitable for small-scale plants and so no leveraging concerns can arise in this segment. ([265])

(310) As regards the Cold Box Interoperability Obligations, the Parties argue that these eliminate any risk that the merged entity could seek to harm competing providers of LNG cold boxes or LNG process technology by reducing their interoperability with the merged entity's products.

(311) The Parties submit that the Commitments can be implemented effectively in a short period of time. ([266])

7.2.3. Assessment of the First Commitments

(312) As explained in the Remedies Notice, ([267])'*[…] commitments which are structural in nature, such as the commitment to sell a business unit, are, as a rule, preferable from the point of view of the Merger Regulation's objective, in as much as such commitments prevent, durably, the competition concerns which would be raised by the merger as notified, and do not, moreover, require medium or long-term monitoring measures*'.

(313) The First Commitments are intended to be structural in nature: they are intended to represent a divestment of some core assets forming Chart's IPSMR business, in particular its intellectual property, knowhow, and engineers. The objective of the First Commitments is, on the one hand, to create or strengthen an independent LNG process technology provider and, on the other, to remove the merged entity's ability and incentive to engage in foreclosure of process technology providers (as it would no longer be engaged in LNG process technology itself). The other aspects of the Commitments seek to prevent the merged entity from foreclosing rival suppliers of LNG cold boxes.

(314) The Commission conducted a market test of the First Commitments to investigate their adequacy in nature and scope to resolve the competition concerns identified in Section 6 above, as well as their viability and effectiveness.

(315) Overall, the replies of respondents to the Market Test were mixed. Most competitors and EPCs that responded considered that the First Commitments would not resolve the competition concerns arising from the Transaction or did

([263]) Form RM, para. 22.
([264]) Form RM, paras. 25-29.
([265]) Form RM, para. 20.
([266]) Form RM, paras. 36 *et seq*.
([267]) Remedies Notice, para. 15.

not know if it would. ([268]) A large majority of respondents identified that the First Commitments involved elements that could raise uncertainties, difficulties, risks and/or delays to their effective implementation (for the reasons outlined in paragraphs (316) *et seq.*). ([269]) However, it was apparent from the Market Test that these doubts primarily stemmed from the fact that there were certain significant shortcomings in the scope of the IPSMR Divestment, which was considered not to include all of the assets needed to allow the Purchaser to effectively compete in LNG process technology without undue delay. ([270]) These scope issues meant that the IPSMR Divestment as originally proposed was not suited to achieve its objectives. However, respondents pointed out that if these scope issues were overcome, the Divestment Business could be a viable and attractive business for a Purchaser, and customers would likely find it attractive to procure LNG process technologies from the Divestment Business in future. ([271]) More specifically, the Market Test gave rise to the following feedback.

(316) First, respondents pointed to shortcomings in the scope of intangible assets included in the scope of the Divestment Business. They highlighted that including only those patents that are 'exclusively' used for IPSMR could mean that the Purchaser is unable to effectively run the Divestment Business. ([272]) This is as it would exclude 'mixed use' patents, which are relevant not only for IPSMR but also for other Chart businesses. The merged entity would retain these patents and the First Commitments do not explicitly provide for any right for the Divestment Business to continue using them, meaning the Purchaser may no longer be able to operate the Divestment Business or only under certain restrictions. Relatedly, a number of respondents identified that the Divestment Business may also need access to additional intangible assets such as software licences, design and simulation tools or modelling frameworks that are used by the Divestment Business, as well as technical and commercial records of past projects and bids. ([273]) This would be necessary for the Divestment Business to retain the 'institutional knowledge' it gained over time.

(317) Second, the Market Test highlighted that the merged entity would retain Chart's LNG process technologies for small-scale LNG trains and that BH may have some LNG process technology capabilities. The Notifying Party explains that this is because the solutions Chart sells are based on (non-proprietary) open art technology that is publicly available and unrelated to IPSMR. The Notifying Party submits that BH does not provide LNG compressor trains for small-scale plants, meaning that no leveraging concerns can arise regarding small-scale process technologies. ([274]) It notes that BH does not sell LNG process technology standalone, only as part of its prefabricated modules. ([275]) In this regard, a

([268]) Market Test to competitors and EPCs, questions B.3 – B.8. While customers were somewhat more positive, the majority of customers did not know if the concerns would be resolved (Market Test to customers questions B.3-B.8.

([269]) Market Test to competitors and EPCs, questions G.1 and G.1.1; Market Test to customers questions F.1 and F.1.1.

([270]) Market Test to competitors and EPCs, question C.1 and C.1.1; Market test to customers question C.1 and C.1.1.

([271]) Market Test to competitors and EPCs, questions F.1, F.1.1, F.2, F.2.1, F.7 and F.7.1; Market Test to customers questions E.1, E.1.1, E.2, E.2.1, E.4 and E.4.1.

([272]) Market Test to competitors and EPCs, questions C.3 and C.3.1.

([273]) Market Test to competitors and EPCs, questions C.2 and C.2.1.

([274]) Form RM paragraph 20, Form CO footnotes 69 and 497, RFI 11 footnote 5.

([275]) Form CO, paragraphs 952, 1011, 1149.

significant number of respondents to the Market Test raised concerns about the exclusion of Chart's small-scale LNG process technology, noting that this exclusion would impact the viability of the Divestment Business and the capability of the First Commitments to resolve the concerns. ([276]) One respondent explained that this was due to the fact that retaining this technology "*leaves it open to the Combined Entity to scale up and effectively replace the Divestment Business within a relatively short timeframe. This […] is a critical risk to the viability of the Divestment Business*". ([277]) Another likewise explained that "*the merged entity can immediately use sensitive information and assets acquired through the transaction to compete against the very business it has divested*". ([278]) Another company that might consider acquiring the Divestment Business pointed out that its main concern is that the "*merged entity would be a too strong competitor due to the strong BH market position and its ownership of LNG technology*".

(318) Third, respondents to the Market Test considered that the Divestment Business should include ongoing IPSMR projects to secure its viability and attractiveness. This is because it takes several years for an LNG project to advance from conception to construction – if the Divestment Business did not benefit from existing projects, it would generate no revenues during this lengthy period. For this reason, it was confirmed that it is necessary for the Divestment Business to receive the net economic benefit of ongoing projects, as proposed in the First Commitments. ([279]) Moreover, respondents pointed out that one of the key challenges for the Purchaser would be to establish the credibility of the Divestment Business for customers to rely on it. ([280]) They pointed out that a track record is important for this, which the Divestment Business would lack if it were not be in charge of operating the ongoing IPSMR projects. ([281])

(319) Fourth, most respondents that expressed a view considered that the Key Personnel would broadly be sufficient for the Divestment Business. ([282]) However, they clarified that while the engineering capability may be sufficient, the Divestment Business may lack other functions relevant to IPSMR. Notably, multiple respondents noted that a Purchaser would likely also require staff with experience in commissioning and marketing IPSMR. ([283])

(320) Fifth, the majority of respondents that expressed a view considered that the Transitional Support and the Cold Box Supply Agreement would be suitable to ensure a smooth transfer of the Divestment Business to a suitable Purchaser. ([284]) However, some respondents raised concerns regarding the duration of these provisions. Several noted that given the complexity of LNG process technology, whether the 12-month period of Transitional Support would be sufficient will depend on the capabilities and experience of the Purchaser. Accordingly, it was considered appropriate for the Purchaser to have a right to extend the Transitional Support, if needed to ensure the effective integration of the Divestment

([276]) Market Test to competitors and EPCs, questions C.5, C.5.1, C.6 and C.6.1.
([277]) Market Test to competitors and EPCs, question C.6.1.
([278]) Market Test to competitors and EPCs, question B.4.
([279]) Market Test to competitors and EPCs, question F.6 and F.6.1.
([280]) Market Test to competitors and EPCs, questions F.5, F.7 and F.7.1.
([281]) Market Test to competitors and EPCs, questions C.1, C.1.1, C.2.1, C.4, C.4.1, F.1.1.
([282]) Market Test to competitors and EPCs, question C.7; Market Test to customers question D.2.
([283]) Market Test to competitors and EPCs, question C.7.1; Market Test to customers question D.2.1.
([284]) Market Test to competitors and EPCs, question E.1 and E.2.

Business. ([285]) For the Cold Box Supply Agreement, several respondents considered that a five-year duration is too short. For instance, one respondent explained that "[*a*] *duration of 5 years is unlikely to be sufficient, given the long development cycles in LNG projects and the time required to build independent engineering capabilities, customer relationships, and a track record.*" Others agreed with this, indicating the risk that the long time from the issuance of new tenders to construction means that the Cold Box Supply Agreement may expire before the first new projects secured by the Purchaser are executed. ([286])

(321) Sixth, respondents broadly considered the Purchaser Requirements to be adequate, however, the vast majority considered that a Purchaser would need prior experience in the LNG liquefaction sector in order for the Divestment Business to be successful. ([287]) This is due to the technical complexity of LNG process technology and its importance for LNG liquefaction - only a Purchaser with such experience would have the LNG-related know-how and proven track record in LNG to attract customers. ([288])

(322) Seventh, respondents generally expressed positive views regarding the Cold Box Interoperability Obligations. Most respondents that expressed a view considered that the Cold Box Customer Obligations would allow third party LNG process technology providers' products to effectively interoperate with Chart's LNG cold boxes. ([289]) Likewise, most respondents expressing a view considered the Cold Box Supplier Obligations sufficient to allow LNG cold box providers to effectively interoperate with BH's LNG compressor trains. ([290])

(323) Finally, the First Commitments provide that the Parties' compliance will be supervised by a Monitoring Trustee. The Market Test highlighted the key role that a Monitoring Trustee would play in the interpretation and oversight of the First Commitments. In particular, it could be challenging for market players to evaluate in a timely manner whether the terms of the Transitional Support Agreement, the Cold Box Supply Agreement and Interoperability Obligations are complied with, ([291]) and the terms of these Agreements have some room for interpretation. ([292]) Accordingly, effective oversight by the Monitoring Trustee will be important to secure the implementation of the First Commitments.

(324) Otherwise, the results of Market Test did not identify any other material assets that would be necessary for the effectiveness of the divestment but that have not been included in the First Commitments.

(325) In light of the above, the Commission considers that the First Commitments would not fully address the serious doubts that the Transaction would give rise to. In particular, the Divestment Business would not operate as an effective competitor, and the merged entity could undermine its viability by quickly re-entering the supply of LNG process technology. Accordingly, the merged entity would still be able to engage in the various practices to favour Chart in a way that harms its rivals' ability to compete effectively. However, the Market Test indicated that the abovementioned improvements to the First Commitments could

([285]) Market Test to competitors and EPCs, question E.1.1.
([286]) Market Test to competitors and EPCs, question E.3.1.
([287]) Market Test to competitors and EPCs, questions F.8 and F.9.
([288]) Market Test to competitors and EPCs, question F.8.1.
([289]) Market Test to competitors and EPCs, question D.1 and D.1.1.
([290]) Market Test to competitors and EPCs, question D.2 and D.2.1.
([291]) Market Test to competitors and EPCs, question B.9; Market Test to customers question B.9.
([292]) Market Test to competitors and EPCs, question D.2, E.2-E.4.

result in a Divestment Business that is viable, attractive and competitive. Together with the Cold Box Interoperability Obligations, such improved commitments could eliminate the serious doubts by removing the merged entity's ability and incentive to foreclose Chart's rivals.

7.3. The Final Commitments

7.3.1. Description of the Final Commitments

(326) To address the shortcomings of the First Commitments, the Parties submitted an amended set of commitments on 6 July 2026 (the "Final Commitments"). In particular, the Parties amended the scope of and supporting provisions relating to the Divestment Business and the provisions of the Interoperability Obligations, as follows. ([293])

(327) The Final Commitments expand the scope of the Divestment Business to include Chart's small-scale LNG process technology. Notably, this includes Chart's four Chart process engineers with experience in small-scale process technology ([294]) and the know how related to small-scale process technology. ([295]) For IPSMR, the scope of patents is expanded to include all patents 'primarily or exclusively' related to IPSMR. In addition, the Final Commitments provide that the Divestment Business shall include all intellectual property (including patents, patent applications and knowhow), tangible assets, licences (including software licences), contracts, customer records, and copies of technical and commercial documentation relating to IPSMR and small-scale process technology (or the benefit of these assets, as appropriate depending on whether or not the assets are exclusively or primarily used for IPSMR or small-scale process technology). The Final Commitments also clarify that not only the net economic benefit of IPSMR and small-scale process technology will transfer to the Purchaser, but also that the Purchaser will benefit from adequate contractual arrangements to allow it to interact directly with customers on existing LNG projects in providing the IPSMR and small-scale process technology services for those projects. Moreover, the scope of personnel included in the Divestment Business is expanded to include up to two Chart employees with expertise supporting IPSMR related functions, i.e. commercialisation and commissioning/start-up.

(328) In the Final Commitments, the supporting provisions relating to the Divestment Business are amended to include a non-compete provision for three years after closing of the divestment, which prevents the merged entity from offering any process technology that would compete with IPSMR or small-scale process technology. Additionally, the Purchaser has the option to extend duration of the Transitional Support by 6 months. The Cold Box Supply Obligation is extended in duration to last up to 10 years after closing of the divestment.

(329) The Purchaser Criteria in the Final Commitments are adjusted to additionally require that the Purchaser can demonstrate proven experience in the LNG industry.

([293]) The Final Commitments also included certain clarificatory modifications that were not of major significance and so are not discussed in this decision.

([294]) The Final Commitments provide that the Purchaser may replace up to 4 process engineers with alternative Chart employees with comparable expertise if necessary for the Purchaser to operate the Divestment Business in a manner consistent with the Commitments.

([295]) The Parties explain that the small-scale LNG process technology relies on non-proprietary (open art) technology which is not patent protected.

(330) As regards the Interoperability Obligations, the Final Commitments expand their scope so that beyond the specific obligations included in the First Commitments, they also include a broader interoperability obligation. Namely, the merged entity shall ensure the same level of interoperability between third party cold boxes and its retained LNG compressors and process technology as it does between its own cold boxes and these retained products. This is subject to an exception for situations where an equivalent level of interoperability is not possible due to design choices made by the third-party manufacturer. In addition, the merged entity shall not design, engineer or amend its LNG compressors and process technology in a way that would negatively affect or discriminate against third party cold box suppliers in order to favour its own cold boxes.

7.3.2. The Parties' views

(331) The Parties submit that the Final Commitments result in a Divestment Business and Interoperability Obligations that are effective and resolve the Commission's concerns. ([296]) The Parties also submit that a number of potential purchasers have expressed interest and have already signed or are negotiating non-disclosure agreements. ([297])

7.3.3. Assessment and conclusion on the Final Commitments

(332) As explained in Section 7.2.3 above, the Market Test made clear that the First Commitments had certain key shortcomings with respect to the Divestment Business that undermined the effectiveness of the First Commitments. However, it is also apparent from the market test that if these issues would be addressed, the Divestment Business would result in a viable and attractive business, and the commitments could address the serious doubts that the Transaction would give rise to. The amendments introduced by the Parties into the Final Commitments resolve the concerns identified in the Market Test.

(333) The scope of the Divestment Business has been significantly expanded to ensure that it contains all assets necessary for its viability and competitiveness. It includes the necessary tangible and intangible assets, staff, records and ongoing projects as well as Chart's small-scale process technology capabilities for a Purchaser to compete effectively for the supply of LNG process technology in a timely manner. Moreover, the non-compete obligation resolves the concern that the merged entity could undermine the Divestment Business through re-entry in LNG process technology, by enabling it a sufficient period to establish its own presence in the market and gain customer trust. This objective is also supported by the extension of the maximum duration of the Transitional Support and Cold Box Supply Agreement. Requiring the Purchaser to be active in the LNG sector ensures they will have the necessary expertise and track record to successfully integrate and operate the Divestment Business. In addition, the adjustments to the Interoperability Obligations strengthen these Obligations and the protections for third parties. Accordingly, based on the information available to it, the Commission is satisfied that the Divestment Business is viable, competitive and marketable and the Interoperability Obligations are implementable and effective.

(334) In view of the foregoing, the Commission concludes that the Final Commitments are sufficient in scope and suitable to eliminate the serious doubts as to the

([296]) Final Form RM submitted on 6 July 2026.
([297]) Email from representative of BH dated 2 July 2026.

compatibility of the Transaction with the internal market and the functioning of the EEA Agreement.

7.4. Conclusion on remedies

(335) Under the first sentence of the second subparagraph of Article 6(2) of the Merger Regulation, the Commission may attach to its decision conditions and obligations intended to ensure that the undertakings concerned comply with the commitments they have entered into vis-à-vis the Commission with a view to rendering a notified concentration compatible with the internal market and the functioning of the EEA Agreement.

(336) The achievement of the measure that gives rise to the structural change of the market is a condition, whereas the implementing steps which are necessary to achieve this result are generally obligations on the Parties. Where a condition is not fulfilled, the Commission's decision declaring the concentration compatible with the internal market and the functioning of the EEA Agreement no longer stands. Where the undertakings concerned commit a breach of an obligation, the Commission may revoke the clearance decision in accordance with Article 6(3)(b) of the Merger Regulation. The undertakings concerned may also be subject to fines and periodic penalty payments under Articles 14(2) and 15(1) of the Merger Regulation.

(337) In accordance with the distinction described in the previous paragraph, the decision in this case is conditioned on the full compliance with the requirements set out in Section B of the Final Commitments (including the Schedule), which constitute conditions. The remaining requirements set out in the other Sections of the Final Commitments constitute obligations, as they concern the implementing steps that are necessary to achieve the modifications sought in a manner compatible with the internal market and the functioning of the EEA Agreement.

(338) The full text of the Final Commitments is annexed to this decision and forms an integral part thereof.

8. CONCLUSION

(339) For the above reasons, the Commission has decided not to oppose the notified operation as modified by the commitments and to declare it compatible with the internal market and with the functioning of the EEA Agreement, subject to full compliance with the conditions in Section B (including the Schedule) of the commitments annexed to the present decision and with the obligations contained in the other sections of the said commitments. This decision is adopted in application of Article 6(1)(b) in conjunction with Article 6(2) of the Merger Regulation and Article 57 of the EEA Agreement.

For the Commission

(Signed)
Teresa RIBERA
Executive Vice-President

COMMITMENTS TO THE EUROPEAN COMMISSION

ACQUISITION OF SOLE CONTROL BY

BAKER HUGHES COMPANY

OF

CHART INDUSTRIES, INC.

CONFIDENTIAL

CONTAINS BUSINESS SECRETS

M.12161

BH/Chart

6 July 2026

COMMITMENTS TO THE EUROPEAN COMMISSION

1. Pursuant to Article 6(2) of Council Regulation (EC) No 139/2004 as amended (the "**Merger Regulation**"), Baker Hughes Company ("**BH**") and Chart Industries, Inc ("**Chart**") hereby enter into the following Commitments (the "**Commitments**") vis-à-vis the European Commission (the "**Commission**") with a view to rendering the acquisition by BH of sole control over Chart (the "**Concentration**") compatible with the internal market and the functioning of the EEA Agreement.

2. This text shall be interpreted in light of the Commission's decision pursuant to Article 6(1)(b) of the Merger Regulation to declare the Concentration compatible with the internal market and the functioning of the EEA Agreement (the "**Decision**"), in the general framework of European Union law, in particular in light of the Merger Regulation, and by reference to the Commission Notice on remedies acceptable under Council Regulation (EC) No 139/2004 and under Commission Regulation (EC) No 802/2004 (the "**Remedies Notice**").

3. The Commitments shall take effect upon the date of adoption of the Decision (the "**Effective Date**").

9. SECTION A – DEFINITIONS

4. For the purpose of the Commitments, the following terms shall have the following meaning:

Affiliated Undertakings: undertakings controlled by BH or Chart, whereby the notion of control shall be interpreted pursuant to Article 3 of the Merger Regulation and in light of the Commission Consolidated Jurisdictional Notice under Council Regulation (EC) No 139/2004 on the control of concentrations between undertakings (the "***Consolidated Jurisdictional Notice***").

Assets: the assets that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business as indicated in Section B, paragraph 9 and described in more in detail in the Schedule.

Chart Cold Boxes Business: the business comprised of developing, distributing, manufacturing, licensing, marketing, selling, and otherwise making available Cold Boxes.

Chart IPSMR Patents: all patents and patent applications primarily or exclusively related to IPSMR, including those provided in the Schedule.

Chart IPSMR and Small-Scale Process Technology Know-How: all non-patentable (or unpatented) technical information, trade secrets, expertise and know-how (including information relating to inventions, discoveries, concepts, methods, models, research, development and testing procedures, the results of experiments, tests, and trials, techniques and specifications, analyses, reports and submissions) of Chart to the extent used in the design and provision to Customers of IPSMR or Small-Scale Process Technology and that is not in the public domain or disclosed by any agent or employee of Chart.

Chart LNG Solutions Business: the Chart business comprised of developing, distributing, manufacturing, licensing, marketing, selling, and otherwise making available Cold Boxes, IPSMR and Small-Scale Process Technology.

Closing: the transfer of the legal title to the Divestment Business to the Purchaser.

Closing Period: the period of three (3) months from the approval of the Purchaser and the terms of sale by the Commission.

Cold Box: assembly of Chart's brazed aluminium heat exchangers in an insulated container for application in LNG production.

Combined Entity: the combined BH and Chart businesses together with their successors, assignees and affiliates.

Combined Entity Process Technology: Process Technology developed or maintained by the Combined Entity. For the avoidance of doubt, BH's current product referenced as NMBL™ is not a Combined Entity Process Technology.

Committing Parties: the Parties. This includes also any legal successors of the Committing Parties (notably the merged entity).

Confidential Information: any business secrets, know-how, commercial information not in the public domain, or any other information of a proprietary nature that is not in the public domain.

Conflict of Interest: any conflict of interest that impairs the Trustee's objectivity and independence in discharging its duties under the Commitments.

Customer: an entity seeking to purchase Products, Cold Boxes, or Prefabricated Liquefaction Modules. For the avoidance of doubt, Customers shall include Engineering, Procurement and Construction ("**EPC**") companies assisting the owner or operator of an LNG Plant Project with the selection and procurement of products, including Products and/or Cold Boxes.

Divestment Business: the business or businesses as defined in Section B and in the Schedule which the Committing Parties commit to divest.

Divestiture Trustee: one or more natural or legal person(s) who is/are approved by the Commission and appointed by the Committing Parties and who has/have received from the Committing Parties the exclusive Trustee Mandate to sell the Divestment Business to a Purchaser at no minimum price.

Effective Date: the date of adoption of the Decision.

First Divestiture Period: the period of […] from the Effective Date.

Hold Separate Manager: the person appointed by the Committing Parties for the Chart LNG Solutions to manage the day-to-day business under the supervision of the Monitoring Trustee.

IPSMR: Chart's Integrated Pre-cooled Single Mixed Refrigerant liquefaction Process Technology as used in LNG Plant Projects. For avoidance of doubt, for the purpose of these Commitments, IPSMR includes IPSMR+ (a version of IPSMR intended to improve operational efficiency and increased single train capacity for liquefaction through additional pre-cooling achieved by incorporating an additional pre-cooling system, including another mixed refrigerant system) and IPDMR (a dual mixed-refrigerant cycle process in early-stage development).

Key Personnel: all personnel necessary to maintain the viability and competitiveness of the Divestment Business as provided in the Schedule and Annex 2.

LNG: Liquefied Natural Gas.

LNG Liquefaction Train: the unit within an LNG Plant Project that cools natural gas to around -162 C to convert it into LNG, reducing its volume to approximately $1/600^{th}$ of the gaseous volume.

LNG Plant Project: an LNG production plant project with LNG Liquefaction Trains in which a Customer may be engaged while the Commitments are in force.

Monitoring Trustee: one or more natural or legal person(s) who is/are approved by the Commission and appointed by the Committing Parties, and who has/have the duty to

monitor the Committing Parties' compliance with the conditions and obligations attached to the Decision.

Parties: BH and Chart.

Personnel: all staff currently employed by the Chart LNG Solutions Business, including the staff of, or seconded to, the Divestment Business and shared personnel.

Prefabricated Liquefaction Module: BH-supplied wholly or partially prefabricated LNG liquefaction unit for an LNG Plant Project comprising a main refrigerant compressor train, liquefaction process technology, main cryogenic heat exchangers, and necessary ancillary equipment. For the avoidance of doubt, the solutions sold, as of the Effective Date, to Venture Global and the solutions marketed as "NMBL" shall be deemed Prefabricated Liquefaction Modules, together with any variations, predecessor or successor solutions with materially similar design concepts.

Process Technology: the set of industrial methods that defines and directs how the different components of an LNG Liquefaction Train work together as a whole for liquefaction.

Products: BH compressors supplied together with drivers as part of a train as main refrigerant compressor trains for LNG Liquefaction Trains within an LNG Plant Project. For the avoidance of doubt, compressor trains used for purposes other than main refrigeration within an LNG Liquefaction Train (e.g., boil off gas compressors) are not Products within the meaning of this definition.

Purchaser: the entity approved by the Commission as acquirer of the Divestment Business in accordance with the criteria set out in Section D.

Purchaser Criteria: the criteria laid down in paragraph 29 of these Commitments that the Purchaser must fulfil in order to be approved by the Commission.

Schedule: the Schedule to these Commitments describing the Divestment Business in more detail.

Small-Scale Process Technology: Process Technology of Chart suitable for the use in LNG Liquefaction Trains with annual production rates below 0.5 million tons per annum ("MTPA").

Trustee(s): the Monitoring Trustee and/or the Divestiture Trustee as the case may be.

Trustee Divestiture Period: the period of […] from the end of the First Divestiture Period.

5. Should issues arise relating to the interpretation of terms listed in paragraph 4 of these Commitments or terms not defined, the Commission will retain the interpretation that is the most favourable for an effective implementation of the Commitments.

SECTION B. – COMMITMENT TO DIVEST AND THE DIVESTMENT BUSINESS

Commitment to divest

6. In order to maintain effective competition, the Committing Parties commit to divest, or procure the divestiture of, the Divestment Business on terms of sale approved by the Commission in accordance with the procedure described in paragraph 30 of these Commitments. To carry out the divestiture, the Committing Parties commit to find a purchaser and to enter into a final binding sale and purchase agreement for the sale of the Divestment Business within the First Divestiture Period. If the Committing Parties have not entered into such an agreement at the end of the First Divestiture Period, the Committing Parties shall grant the Divestiture Trustee an exclusive mandate to sell the Divestment Business in accordance with the procedure described in paragraph 43.

7. The Committing Parties shall be deemed to have complied with this commitment if they fulfil the following conditions:

   (a) a final binding sale and purchase agreement has been entered into by the Committing Parties by the end of the First Divestiture Period or by the Divestiture Trustee by the end of the Trustee Divestiture Period, and the Commission approves the Purchaser and the terms of sale as being consistent with the Commitments in accordance with the procedure described in paragraph 30; and

   (b) the Closing of the sale of the Divestment Business to the Purchaser takes place within the Closing Period on the basis of the transaction documents approved by the Commission without any modification, unless explicitly approved by the Commission.

8. In order to maintain the structural effect of the Commitments, from the Effective Date until three (3) years after Closing, the Committing Parties shall not offer any Combined Entity Process Technology that would compete with IPSMR or Small-Scale Process Technology. Notwithstanding the foregoing, the Committing Parties shall not be precluded from offering solutions incorporating Combined Entity Process Technology (i) to Customers who have already selected or referenced BH-SMR; or (ii) where the LNG is produced in the United States of America and intended for use in the United States of America as fuel to propel space vehicles.

Structure and Definition of the Divestment Business

9. The Divestment Business consists of the Assets and the Key Personnel, as defined herein, for Chart's IPSMR Process Technology and Small-Scale Process Technology. The Assets include the Chart IPSMR Patents, the Chart IPSMR Know-How, the IPSMR® trademark and any other trademarks specific to IPSMR. The Key Personnel are (i) up to seven (7) Chart process engineers with experience in IPSMR listed in Annex 2; (ii) an additional four (4) Chart process engineers with experience in Small-Scale Process Technology listed in Annex 2; and (iii) at the Purchaser's option, up to two (2)

Chart employees with expertise in supporting IPSMR Process Technology-related functions (i.e., commercialisation and commissioning/start-up). The Divestment Business, as described in more detail in the Schedule, includes the transfer of all assets and staff that contribute to the current operation or are necessary to ensure the viability and competitiveness of the Divestment Business.

10. The terms of sale of the Divestment Business shall include adequate provisions to allow (i) the Combined Entity continued use, on a non-exclusive basis, of the Assets in the LNG Plant Projects listed in Annex 3 to the Schedule and (ii) any existing licensees' continued use, through novation or otherwise, of the Assets consistent with the terms of the relevant license agreements.

11. The Divestment Business includes the benefit to obtain engineering services from the Committing Parties and any third parties currently used by Chart for such engineering services, aimed at supporting the transitioning of the IPSMR and Small-Scale Process Technology Know-How to the Purchaser. The Committing Parties will provide this benefit at cost for a transitional period of up to twelve (12) months after Closing, with an option for the Purchaser to extend the transitional period for another six (6) months.

12. The Divestment Business also includes, for a period of up ten (10) years after Closing, an obligation for the Committing Parties to supply at cost plus a commercially reasonable margin Cold Boxes to the Purchaser for use with IPSMR. Strict firewall procedures shall be adopted so as to ensure that any competitively sensitive information related to, or arising from, such supply arrangements (for example, product roadmaps) will not be shared with, or passed on to, anyone outside the Chart Cold Boxes Business operations.

13. To ensure that Cold Boxes supplied to Customers (including, for this purpose, the Purchaser) interact with Process Technology (including IPSMR) in the way they are intended to, the Committing Parties shall provide Customers at their request with customary and commercially reasonable, in each case in connection with the relevant LNG Plant Project:

    (a) access to relevant technical information, drawings and specifications relating to Cold Boxes;

    (b) engineering support to ensure that Cold Boxes and Process Technology can interface with each other according to their intended design and functionality;

    (c) aftermarket services (maintenance, repair, spare parts) in accordance with applicable industry standards (such as API and ISO).

14. The Committing Parties shall ensure the same level of interoperability between third party cold boxes and the Combined Entity's Products as it exists at any point in time between its own cold boxes and Products (except if it is not possible to ensure the same level of interoperability due to design choices made by the third party manufacturer). To ensure that cold boxes from suppliers other than the Combined Entity interact with Products in the way they are intended to, the Committing Parties shall:

(a) provide those cold box suppliers at their request, in a timely fashion and without undue delay with customary and commercially reasonable, in each case in connection with the relevant LNG Plant Project:

(i) access to relevant technical information, drawings and specifications relating to Products;

(ii) engineering support to ensure that those suppliers' cold boxes and Products can interface with each other according to their intended design and functionality; and

(iii) aftermarket services (maintenance, repair, spare parts) in accordance with applicable industry standards (such as API and ISO).

(b) refrain from (i) designing or engineering Products in such manner or (ii) implementing any changes to Products or to the way in which the Products interoperate with cold boxes that would discriminate against third party cold boxes suppliers for the purpose of favouring the Committing Parties' own cold boxes or Products, or negatively affecting third party cold boxes suppliers.

15. The Committing Parties shall provide the information, support and services provided for in paragraph 13-14 on non-discriminatory terms that are no less favourable than those provided to Customers.

16. As part of the applicable terms of purchase or service and in any event prior to any disclosure of information in accordance with paragraphs 13-15 that is Confidential Information, the Committing Parties and the Purchaser or Customer, as the case may be, shall enter into an intellectual property protection and confidentiality agreement to protect any such intellectual property and/or confidential information, including competitively sensitive information, consistent with the terms of intellectual property and confidentiality agreements entered into by other Customers. The Commitments under paragraphs 13-15 shall be in force for a period of ten (10) years from the Effective Date.

SECTION C. RELATED COMMITMENTS

Preservation of viability, marketability, and competitiveness

17. From the Effective Date until Closing, the Committing Parties shall preserve or procure the preservation of the economic viability, marketability and competitiveness of the Divestment Business, in accordance with good business practice, and shall minimise as far as possible any risk of loss of the competitive potential of the Divestment Business. In particular, the Committing Parties undertake:

    (a) not to carry out any action that might have a significant adverse impact on the value, management, viability or competitiveness of the Divestment Business or that might alter the nature and scope of activity, or the industrial or commercial strategy or the investment policy of the Divestment Business;

    (b) to make available, or procure to make available, sufficient financial and other resources needed for the development of the Divestment Business including the development of pipeline products or services where relevant, on the basis of the continuation of the existing business plans;

    (c) to take all reasonable steps, or procure that all reasonable steps are being taken, to assist the Divestment Business in the process of IT migration and/or IT separation until the full process is completed;

    (d) to the extent the Divestment Business includes any licences, permits and authorisations issued by any governmental organisation or any other third party/parties for the benefit of the Divestment Business, to take all reasonable steps, or procure that all reasonable steps are being taken, to obtain consent from any governmental organisation or any other third party/parties for all required licences, permits and authorisations; and

    (e) to take all reasonable steps, or procure that all reasonable steps are being taken, including appropriate incentive schemes, to encourage all Key Personnel to remain with the Divestment Business, and not to solicit or move any Personnel to Chart's remaining business. Incentives schemes should not be linked to the sale of the Divestment Business within a certain period or to the sale price of the Divestment Business. Where, nevertheless, individual members of the Key Personnel exceptionally leave the Divestment Business, the Committing Parties shall provide a reasoned proposal to replace the person or persons concerned to the Commission and the Monitoring Trustee. The Committing Parties must be able to demonstrate to the Commission that the replacement is well suited to carry out the functions exercised by those individual members of the Key Personnel. The

replacement shall take place under the supervision of the Monitoring Trustee, who shall report to the Commission.

Hold-separate obligations

18. The Committing Parties commit, from the Effective Date until Closing, to keep, or procure to keep, the Chart LNG Solutions Business separate from the business(es) the Parties are retaining and to ensure that unless explicitly permitted under these Commitments (including under paragraph 10): (i) management and staff of the business(es) retained by the Parties have no involvement in the Chart LNG Solutions Business; (ii) the Key Personnel and Personnel of the Divestment Business (which are part of the Chart LNG Solutions Business) have no involvement in any business retained by the Parties and do not report to any individual outside the Chart LNG Solutions Business.

19. Until Closing, the Committing Parties shall assist the Monitoring Trustee in ensuring that the Chart LNG Solutions Business is managed as a distinct entity separate from the business(es) which the Combined Entity is retaining, and that the Divestment Business remains saleable. Immediately after the adoption of the Decision, the Committing Parties shall appoint a Hold Separate Manager. The Hold Separate Manager shall be head of the Chart LNG Solutions Business. If the Hold Separate Manager is not the head of the Chart LNG Solutions Business at the time of the submission of the Commitments, the appointment should occur in agreement with the Commission. The Hold Separate Manager shall manage the Chart LNG Solutions Business independently and in the best interest of the business with a view to ensuring its and the Divestment Businesses' continued economic viability, marketability and competitiveness and its independence from the businesses retained by the Combined Entity. The Hold Separate Manager shall closely cooperate with and report to the Monitoring Trustee and, if applicable, the Divestiture Trustee. The Committing Parties shall ensure that the Hold Separate Manager is available for an initial call with the Monitoring Trustee and the Commission, as well as to discuss any significant matter at the request of the Monitoring Trustee or the Commission during his/her mandate. The Monitoring Trustee or the Commission can discuss any matter relevant for the implementation of the Commitments with the Hold Separate Manager without the presence or explicit agreement of representatives of the Committing Parties. The Hold Separate Manager should provide all information requested by the Commission, including confidential information.

20. Any replacement of the Hold Separate Manager shall be subject to the procedure laid down in paragraph 17(e) of these Commitments. The Commission may, after having heard the Committing Parties, require the Committing Parties to replace the Hold Separate Manager.

Ring-fencing obligations

21. The Combined Entity shall implement, or procure to implement, all necessary measures to ensure that it does not, after the Effective Date, obtain any Confidential Information

relating to the Divestment Business and that any Confidential Information about the Divestment Business obtained by the Combined Entity before the Effective Date will be eliminated and not be used by the Combined Entity, each except as allowed under paragraph 10 or as part of arms' length commercial relationships between the Combined Entity and the Divestment Business. In particular, the participation of the Divestment Business in any central information technology network shall be severed to the extent possible, without compromising the viability of the Divestment Business. All personnel in the Combined Entity's remaining business who have had access to Confidential Information relating to the Divestment Business shall sign non-disclosure agreements preventing them from using or disclosing any such information, except as allowed or required under paragraphs 10, 12, 13. To that effect, within two weeks of the Effective Date, the Combined Entity shall provide a detailed work plan on the implementation of the ring-fencing measures to the Monitoring Trustee for its review. The Combined Entity may obtain or keep information relating to the Divestment Business which is reasonably necessary for the divestiture of the Divestment Business or the disclosure of which to the Combined Entity is required by law.

Transitional obligations

22. Until the end of the term of the relevant obligations, the Committing Parties shall fulfil and respect its obligations under any and all of the agreements between the Committing Parties and the Purchaser, as detailed in the Schedule.

Non-hire obligation

23. The Committing Parties undertake, subject to customary limitations, not to solicit or hire, and to procure that Affiliated Undertakings do not solicit or hire, the Key Personnel transferred with the Divestment Business for a period of three (3) years after Closing.

Non-reacquisition obligation

24. In order to maintain the structural effect of the Commitments, the Committing Parties shall, for a period of ten (10) years after Closing, not acquire, whether directly or indirectly, the possibility of exercising influence (as defined in paragraph 43 of the Remedies Notice, footnote 3) over the whole or part of the Divestment Business, unless, following the submission of a reasoned request from the Committing Parties showing good cause and accompanied by a report from the Monitoring Trustee (as provided in paragraph 65 of these Commitments), the Commission finds that the structure of the market has changed to such an extent that the absence of influence over the whole or part of the Divestment Business is no longer necessary to render the Concentration compatible with the internal market.

Due diligence-related obligations

25. In order to enable potential purchasers to carry out a reasonable due diligence of the Divestment Business, the Parties shall provide them with the confidential version (or a meaningful non-confidential version) of the Commitments. Subject to customary confidentiality assurances and dependent on the stage of the divestiture process, the Parties shall also provide potential purchasers with:

    (a) sufficient information as regards the Divestment Business;

    (b) reasonable opportunities to interview the Key Personnel; and

    (c) sufficient information relating to the Personnel and allow them reasonable access to the Personnel.

Reporting obligations

26. The Committing Parties shall submit written reports in English on potential purchasers of the Divestment Business and developments in the negotiations with such potential purchasers to the Monitoring Trustee no later than 10 days after the end of every month following the Effective Date (or otherwise at the Monitoring Trustee's request). The Committing Parties shall submit a list of all potential purchasers having expressed interest in acquiring the Divestment Business to the Commission and the Monitoring Trustee at each and every stage of the divestiture process, as well as a copy of all the offers made by potential purchasers within five (5) days of their receipt.

27. The Committing Parties shall inform the Monitoring Trustee on the preparation of the data room documentation and the due diligence procedure and shall submit a copy of any information memorandum to the Monitoring Trustee before sending the memorandum out to potential purchasers.

Other

28. The Committing Parties shall not exercise governance, shareholder, or other rights they may have in Beijing Encryo Engineering Co., Ltd to circumvent these Commitments, nor shall they facilitate the circumvention of the Commitments via Beijing Encryo Engineering Co., Ltd. Compliance with the preceding sentence shall be deemed compliance with the Commitments with respect to Beijing Encryo Engineering Co., Ltd.

SECTION D. THE PURCHASER

29. In order to be approved by the Commission, the Purchaser must fulfil the following criteria:

    (a) The Purchaser shall be independent of and unconnected to the Committing Parties and their Affiliated Undertakings (this being assessed having regard to the situation following the divestiture).

    (b) The Purchaser shall have the financial resources to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors. In particular, the Purchaser shall not be excessively leveraged, shall have sufficient equity and profitability, shall have a turnover significantly larger than the turnover of the Divestment Business, shall have sufficient means to finance the acquisition of the Divestment Business and the execution of its business plan, including investments.

    (c) The Purchaser shall also have proven experience in the LNG industry and the expertise, ability and incentive to maintain and develop the Divestment Business as a viable and active competitive force in competition with the Parties and other competitors.

    (d) The acquisition of the Divestment Business by the Purchaser must neither be likely to create, in light of the information available to the Commission, prima facie competition concerns nor give rise to a risk that the implementation of the Commitments will be delayed. In particular, the Purchaser must reasonably be expected to obtain all necessary approvals from the relevant regulatory authorities for the acquisition of the Divestment Business.

30. The final binding sale and purchase agreement (as well as ancillary agreements) relating to the divestment of the Divestment Business shall be conditional on the Commission's approval. When the Parties have reached an agreement with a purchaser, they shall submit a fully documented and reasoned proposal, including a copy of the final agreement(s), within one (1) week to the Commission and the Monitoring Trustee. For the approval, the Parties must be able to demonstrate – and the Commission shall verify – that the purchaser fulfils the Purchaser Criteria and that the Divestment Business is being sold in a manner consistent with the Commission's Decision and the Commitments including their objective to bring about a lasting structural change in the market. The Commission may approve the sale of the Divestment Business without one or more of the Assets or parts of the Personnel, or by substituting one or more Assets or parts of the Personnel with one or more different assets or different personnel, if this does not affect the implementation of the Commitments and the viability and competitiveness of the Divestment Business after the sale, taking account of the Purchaser.

31. Any change to the final binding sale and purchase agreement (as well as ancillary agreements) taking place after the Commission's approval referred to in the previous paragraph shall be approved by the Commission, following consultation of the Monitoring Trustee.

10. SECTION E. TRUSTEE

I. Appointment procedure

32. The Committing Parties shall appoint a Monitoring Trustee to carry out the functions specified in these Commitments for a Monitoring Trustee for a duration of ten (10) years after the Effective Date. The Committing Parties commit not to close the Concentration before the appointment of a Monitoring Trustee.

33. If the Parties have not entered into a binding sale and purchase agreement regarding the Divestment Business one (1) month before the end of the First Divestiture Period or if the Commission has rejected a purchaser proposed by the Parties at that time or thereafter, the Committing Parties shall appoint a Divestiture Trustee. The appointment of the Divestiture Trustee shall take effect upon the commencement of the Trustee Divestiture Period.

34. The Trustee shall:

    (a) at the time of appointment, be independent of the Parties and their Affiliated Undertakings;

    (b) possess the necessary qualifications to carry out its mandate, for example have sufficient relevant experience as an investment banker or consultant or auditor;

    (c) neither have nor become exposed to a Conflict of Interest;

    (d) demonstrate sufficient capacity and resources to take on the Trustee role with all the obligations that the role entails, including to report regularly to the Commission;

    (e) have a sufficient presence in the EU/EEA, and sufficient expertise in the relevant EU/EEA countries covered by the Commitments.

35. The Trustee shall be remunerated by the Committing Parties in a way that does not impede the independent and effective fulfilment of its mandate. In particular, where the remuneration package of a Divestiture Trustee includes a success premium linked to the final sale value of the Divestment Business, such success premium may only be earned if the divestiture takes place within the Trustee Divestiture Period.

Proposal by the Committing Parties

36. No later than one (1) week after the Effective Date, the Committing Parties shall submit the names of at least three natural or legal persons whom the Committing Parties propose to appoint as the Monitoring Trustee to the Commission for approval and a list of two (2) or more persons, who can be the same as the persons proposed as Monitoring Trustee, whom the Committing Parties propose to appoint as Divestiture Trustee to the Commission for approval. The proposal shall contain sufficient information for the

Commission to verify that the persons proposed as Trustee fulfil the requirements set out in paragraph 34 and shall include:

(a) the full terms of the proposed mandate, which shall include all provisions necessary to enable the Trustee to fulfil its duties under these Commitments; and

(b) the outline of a work plan which describes how the Trustee intends to carry out its assigned tasks.

Approval or rejection by the Commission

37. The Commission shall have the discretion to approve or reject the proposed Trustee(s) and to approve the proposed mandate subject to any modifications it deems necessary for the Trustee to fulfil its obligations. If only one name is approved, the Committing Parties shall appoint or cause to be appointed the person or persons concerned as Trustee, in accordance with the mandate approved by the Commission. If more than one name is approved, the Committing Parties shall be free to choose the Trustee to be appointed from among the names approved. The Trustee shall be appointed within one (1) week of the Commission's approval, in accordance with the mandate approved by the Commission.

New proposal by the Committing Parties

38. If all the proposed Trustees are rejected, the Committing Parties shall submit the names of at least two (2) more natural or legal persons within one (1) week of being informed of the rejection, in accordance with paragraphs 32 and 37 of these Commitments.

Trustee nominated by the Commission

39. If all further proposed Trustees are rejected by the Commission, the Commission shall nominate a Trustee, whom the Committing Parties shall appoint, or cause to be appointed, in accordance with a trustee mandate approved by the Commission.

II. Functions of the Trustee

40. The Trustee shall assume its specified duties and obligations in order to ensure compliance with the Commitments. The Commission may, on its own initiative or at the request of the Trustee or the Committing Parties, give any orders or instructions to the Trustee in order to ensure compliance with the conditions and obligations attached to the Decision.

Duties and obligations of the Monitoring Trustee

41. The Monitoring Trustee shall:

(a) propose in its first report to the Commission a detailed work plan describing how it intends to monitor compliance with the obligations and conditions attached to the Decision;

(b) oversee, in close co-operation with the Hold Separate Manager, the on-going management of the Divestment Business with a view to ensuring its continued economic viability, marketability and competitiveness and monitor compliance by the Committing Parties with the conditions and obligations attached to the Decision. To that end the Monitoring Trustee shall:

i. monitor the preservation of the economic viability, marketability and competitiveness of the Divestment Business, and the keeping separate of the Divestment Business from the business retained by the Parties, in accordance with paragraphs 17, 18 and 19 of these Commitments;

ii. monitor that the Committing Parties make available sufficient resources for the Divestment Business to develop, including for the development of pipeline products or services where relevant (including to reach completion, approval or registration of pipeline products or services), based on the continuation of existing business plans and relevant milestones or of any other future or ongoing projects that are important for the viability of the Divestment Business to the extent that there are any support obligations from the Committing Party/Committing Parties;

iii. to the extent that the Commitments include transitional agreements or the obligation to supply certain inputs, products or services, the Trustee shall monitor the strict compliance with the terms approved and inform the Commission promptly of any changes or compliance problems during the term of such agreements;

iv. supervise the management of the Divestment Business as a distinct and saleable entity, in accordance with paragraphs 19-20 of these Commitments;

v. with respect to Confidential Information:

- determine all necessary measures to ensure that the Committing Parties do not after the Effective Date obtain any Confidential Information relating to the Divestment Business, except as allowed or required under paragraphs 10, 12 and 13,

- in particular strive for the severing of the Divestment Business' participation in a central information technology network to the extent possible, without compromising the viability of the Divestment Business,

- make sure that any Confidential Information relating to the Divestment Business obtained by the Committing Parties before the Effective Date is eliminated and will not be used by the Committing Parties, except as allowed or required under paragraphs 10, 12 and 13, and

- decide whether such information may be disclosed to or kept by the Committing Parties as the disclosure is reasonably necessary to allow the Committing Parties to carry out the divestiture or as the disclosure is required by law;

vi. monitor the splitting of assets and the allocation of Personnel between the Divestment Business and the Committing Parties or Affiliated Undertakings;

(c) propose to the Committing Parties such measures as the Monitoring Trustee considers necessary to ensure the Committing Parties' compliance with the conditions and obligations attached to the Decision, in particular the maintenance of the full economic viability, marketability or competitiveness of the Divestment Business, the holding separate of the Divestment Business and the non-disclosure of competitively sensitive information;

(d) review and assess potential purchasers as well as the progress of the divestiture process and verify that, dependent on the stage of the divestiture process:

(i) potential purchasers receive sufficient and correct information relating to the Divestment Business and Personnel in particular by reviewing, if available, the data room documentation, the information memorandum and the due diligence process, and by ensuring their access to a confidential version (or a meaningful non-confidential) version of the Commitments, and

(ii) potential purchasers are granted reasonable access to the Personnel and Key Personnel;

(e) act as a contact point for any requests by third parties, in particular potential purchasers, in relation to the Commitments;

(f) provide to the Commission, sending the Committing Parties a non-confidential copy at the same time, a written report within 15 days after the end of every month that shall cover the operation and management of the Divestment Business as well as the splitting of assets and the allocation of Personnel so that the Commission can assess whether the business is held in a manner consistent with the Commitments and the progress of the divestiture process as well as potential purchasers. The Committing Parties shall neither receive nor comment on draft

reports that the Monitoring Trustee prepares for the purposes of reporting to the Commission;

(g) promptly report in writing to the Commission, sending the Parties a non-confidential copy at the same time, if it concludes on reasonable grounds that the Parties are failing to comply with these Commitments. The Parties shall neither receive nor comment on draft reports that the Monitoring Trustee prepares for the purposes of reporting to the Commission;

(h) promptly report in writing to the Commission as soon as it becomes aware of potential exposure to a Conflict of Interest appearing after its appointment, including if it becomes aware of any potential lack of independence or Conflict of Interest with any purchaser participating in the sale process;

(i) to the extent that the Commitments include transitional services agreements, support for projects under development, or the obligation to supply certain inputs, products or services, assess that these obligations are satisfactorily reflected in the sale and purchase agreement and other transaction documents, and inform the Commission promptly of any deviation from the terms included in the Commitments or approved by the Commission or any dispute as to the compliance with such terms during the full duration of the agreement;

(j) promptly report in writing to the Commission risks of degradation of the value or operation of the Divestment Business, or risks that the Purchaser does not or is not able to carry out or maintain investments that are essential for the viability of the Divestment Business;

(k) within two weeks after receipt of the documented proposal referred to in paragraph 30 of these Commitments, submit to the Commission, sending the Parties a non-confidential copy at the same time, a reasoned opinion as to the suitability and independence of the proposed purchaser and the viability of the Divestment Business after the sale and as to whether the Divestment Business is sold in a manner consistent with the conditions and obligations attached to the Decision, in particular, if relevant, whether the Sale of the Divestment Business without one or more Assets or not all of the Personnel affects the viability of the Divestment Business after the sale, taking account of the proposed purchaser;

(l) remain throughout the term of the Commitments a point of contact for the Committing Parties, potential purchasers, the Purchaser, the Commission and any other interested third party, in case of issues arising from the implementation and monitoring of the Commitments, including by producing ad hoc reports upon request of the Commission;

(m) contact potential purchasers that submitted a bid for the Divestment Business and ask for relevant information;

(n) assume the other functions assigned to the Monitoring Trustee under the conditions and obligations attached to the Decision.

42. If the Monitoring and Divestiture Trustee are not the same legal or natural persons, the Monitoring Trustee and the Divestiture Trustee shall cooperate closely with each other during and for the purpose of the preparation of the Trustee Divestiture Period in order to facilitate each other's tasks.

Duties and obligations of the Divestiture Trustee

43. Within the Trustee Divestiture Period, the Divestiture Trustee shall sell at no minimum price the Divestment Business to a purchaser, provided that the Commission has approved both the purchaser and the final binding sale and purchase agreement (and ancillary agreements) as in line with the Commission's Decision and the Commitments in accordance with paragraphs 29 and 30 of these Commitments. The Divestiture Trustee shall include in the sale and purchase agreement (as well as in any ancillary agreements) such terms and conditions as it considers appropriate for an expedient sale in the Trustee Divestiture Period. In particular, the Divestiture Trustee may include in the sale and purchase agreement such customary representations and warranties and indemnities as are reasonably required to effect the sale. The Divestiture Trustee shall protect the legitimate financial interests of the Committing Parties', subject to the Committing Parties' unconditional obligation to divest at no minimum price (including at a negative price if considered appropriate and reasonably required) in the Trustee Divestiture Period.

44. In the Trustee Divestiture Period (or otherwise at the Commission's request), the Divestiture Trustee shall provide the Commission with a comprehensive monthly report written in English on the progress of the divestiture process. Such reports shall be submitted within 15 days after the end of every month with a simultaneous copy to the Monitoring Trustee and a non-confidential copy to the Committing Parties.

III. Duties and obligations of the Committing Parties

45. The Committing Parties shall provide and shall cause their advisors to provide the Trustee with all such co-operation, assistance and information as the Trustee may reasonably require to perform its tasks. The Trustee shall have full and complete access to any of the Parties' or Divestment Business books, records, documents, management or other personnel, facilities, sites and technical information necessary for fulfilling its duties under the Commitments and the Parties and the Divestment Business shall provide the Trustee upon request with copies of any document. The Parties and the Divestment Business shall make available to the Monitoring Trustee one or more offices on their premises and shall be available for meetings in order to provide the Trustee with all information necessary for the performance of its tasks.

46. The Committing Parties shall provide the Monitoring Trustee with all managerial and administrative support that it may reasonably request on behalf of the management of the Divestment Business. This shall include all administrative support functions relating to

the Divestment Business which are currently carried out at headquarters level. The Committing Parties shall provide and shall cause its advisors to provide the Monitoring Trustee, on request, with the information submitted to potential purchasers, in particular give the Monitoring Trustee access to the data room documentation and all other information granted to potential purchasers in the due diligence procedure. The Committing Parties shall inform the Monitoring Trustee on possible purchasers, submit lists of potential purchasers at each stage of the selection process, including the offers made by potential purchasers at those stages, and keep the Monitoring Trustee informed of all developments in the divestiture process.

47. The Committing Parties shall grant or procure Affiliated Undertakings to grant comprehensive powers of attorney, duly executed, to the Divestiture Trustee to effect the sale (including ancillary agreements), the Closing and all actions and declarations which the Divestiture Trustee considers necessary or appropriate to achieve the sale and the Closing, including the appointment of advisors to assist with the sale process. Upon request of the Divestiture Trustee, the Committing Parties shall cause the documents required for effecting the sale and the Closing to be duly executed.

48. The Committing Parties shall indemnify the Trustee and its employees and agents (each an '***Indemnified Party***') and hold each Indemnified Party harmless against, and hereby agrees that an Indemnified Party shall have no liability to the Committing Parties for, any liabilities arising out of the performance of the Trustee's duties under the Commitments, except to the extent that such liabilities result from the wilful default, recklessness, gross negligence or bad faith of the Trustee, its employees, agents or advisors.

49. At the expense of the Committing Parties, the Monitoring Trustee may appoint advisors (in particular for corporate finance or including for legal advice or industry expertise), subject to BH's approval (this approval not to be unreasonably withheld or delayed) if the Monitoring Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Monitoring Trustee are in line with business practice. Should the Committing Parties' refuse to approve the advisors proposed by the Monitoring Trustee the Commission may approve the appointment of such advisors instead, at the expense of the Committing Parties, after having heard the Committing Parties. Only the Trustee shall be entitled to issue instructions to the advisors. Paragraph 48 of these Commitments shall apply *mutatis mutandis*. In the Trustee Divestiture Period, the Divestiture Trustee may use advisors who served the Committing Parties during the Divestiture Period if the Divestiture Trustee considers this in the best interest of an expedient sale. At the expense of the Committing Parties, the Divestiture Trustee may appoint advisors (in particular for corporate finance or legal advice), without the Committing Parties' approval if the Divestiture Trustee considers the appointment of such advisors necessary or appropriate for the performance of its duties and obligations under the Mandate, provided that any fees and other expenses incurred by the Divestiture Trustee are in line with business practice.

50. The Committing Parties agree that the Commission may share Confidential Information proprietary to the Committing Parties with the Trustee. The Trustee shall not disclose such information and the principles contained in Article 17 (1) and (2) of the Merger Regulation apply *mutatis mutandis*.

51. The Committing Parties agree that the contact details of the Monitoring Trustee are published on the website of the Commission's Directorate-General for Competition, and they shall inform interested third parties, in particular any potential purchasers, of the identity and the tasks of the Monitoring Trustee. The Committing Parties agree that the contact details of the Divestiture Trustee are published on the website of the Commission's Directorate-General for Competition upon the commencement of the Trustee Divestiture Period begins.

52. For a period of ten (10) years from the Effective Date the Commission may request all information from the Parties that is reasonably necessary to monitor the effective implementation of these Commitments.

IV. Replacement, discharge and reappointment of the Trustees

53. If the Trustee ceases to perform its functions under the Commitments or for any other good cause, including for failure to comply with the requirements in paragraph 33:

    (a) the Commission may, after hearing the Trustee and the Committing Parties, require the Committing Parties to replace the Trustee; or

    (b) The Committing Parties may, with the prior approval of the Commission, replace the Trustee.

54. If the Trustee is removed according to paragraph 53 of these Commitments, the Trustee may be required to continue in its function until a new Trustee is in place to whom the Trustee has effected a full hand over of all relevant information. The new Trustee shall be appointed in accordance with the procedure referred to in paragraphs 32-39 of these Commitments.

55. Unless removed according to paragraph 53 of these Commitments, the Trustee shall cease to act as Trustee only after the Commission has discharged it from its duties after all the Commitments with which the Trustee has been entrusted have been implemented. However, the Commission may at any time require the reappointment of the Monitoring Trustee if it subsequently appears that the relevant remedies might not have been fully and properly implemented.

SECTION F. INTERPRETATION OF THE COMMITMENTS

56. In case of a conflict between the wording of the text of the present Commitments and the contractual instruments executed by the Committing Parties, the Purchaser or any other party for the purposes of implementing the Commitments, the wording of the Commitments shall prevail, without prejudice to the fact that the interpretation of the Commitments shall take into account the solution that is more favourable to the Divestment Business. Deviations from the Commitments in such contractual instruments are only valid if they have been expressly approved by the Commission. A clause implementing this paragraph should be included in the contractual instruments executed by the Committing Parties.

SECTION G. DISPUTE RESOLUTION

57. The following dispute resolution procedure applies in case of conflict between the Committing Parties and the Purchaser in relation to the Commitments. The Committing Parties and the Purchaser shall appoint a panel of experts (the '***Experts***'). This panel shall comprise:

    (a) one expert appointed jointly by the Committing Parties;

    (b) one expert appointed by the Purchaser; and

    (c) one expert appointed by the two experts appointed under (a) and (b) provided that if they fail to appoint the third expert within 15 working days from their appointment, either the Committing Parties or the Purchaser may request the Monitoring Trustee to appoint the third expert, provided that each person so appointed shall be independent of the Committing Parties and the Purchaser, and be a suitably qualified and experienced expert.

58. The process shall be conducted in private and shall be confidential but under supervision of the Monitoring Trustee. The language of the process shall be English.

59. The Experts shall act on the following basis:

    (a) the Experts shall act fairly and impartially;

    (b) each party shall submit to the Experts its brief and its submission in relation to the matter in dispute within five (5) working days of the Experts' appointment;

    (c) the Experts shall decide the procedure to be followed within five (5) working days of their appointment, which may be the rules of arbitration of the London Court of International Arbitration;

    (d) the Committing Parties and the Purchaser shall assist and provide documentation as the Experts reasonably requires to consider the matters referred to them;

    (e) decisions of the Experts shall be based on majority votes of the panel;

    (f) the Experts' determination in relation to any matter referred to them shall be given within a maximum period of one (1) month of the Experts' appointment;

    (g) the Experts' determination in relation to any matter referred to them shall (save for manifest error or fraud) be final and binding on the Committing Parties and the Purchaser;

    (h) any challenge to the Experts' determination shall be made in the courts of Milan, Italy;

    (i) each party shall carry out the actions required to comply with the obligations set out in the Experts' determination in relation to any matter pursuant referred to them within any time-limits specified by the Experts; and

(j) the Experts shall determine how and by whom the costs of the determination in relation to any matter referred to it, including the fees and expenses of the Experts, are to be paid.

60. The Commission shall be allowed and enabled to participate in all stages of the dispute resolution procedure by:

(a) receiving all written submissions (including documents and reports, *etc*.) made by the Committing Parties and the Purchaser to the procedure;

(b) receiving all documents exchanged by the Experts with the Committing Parties and the Purchaser to the procedure;

(c) filing any written submissions; and

(d) being present at the hearing(s) and being allowed to ask questions.

61. The Experts shall forward, or shall order the Committing Parties and the Purchaser to forward, the documents mentioned to the Commission without delay.

62. The Monitoring Trustee shall receive copies of:

(a) all submissions made by the Committing Parties and the Purchaser in relation to the matters they wish to have resolved by the Experts, on the day when these have been submitted to the Experts;

(b) all other documentation provided by the Committing Parties and the Purchaser, on the day when these have been submitted to the Experts; and

(c) the determination made by the Experts, on the day when the determination has been provided to the Committing Parties and the Purchaser.

63. This dispute resolution procedure is without prejudice to any other rights and remedies that may be available to the Committing Parties and the Purchaser as the case may be in respect of any breach of the transaction documents. This procedure is also without prejudice to any Commission decision related to the compliance of the Committing Parties with the Commitments.

SECTION H. THE REVIEW CLAUSE

64. The Commission may extend the time periods foreseen in the Commitments in response to a request from the Committing Parties or, in appropriate cases, on its own initiative. Where the Committing Parties request an extension of a time period, they shall submit a reasoned request to the Commission no later than one (1) month before the expiry of that period, showing good cause. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Committing Parties. Only in exceptional circumstances shall the Committing Parties be entitled to request an extension within the last month of any period.

65. The Commission may further, in response to a reasoned request from the Committing Parties showing good cause waive, modify or substitute, in exceptional circumstances, one or more of the undertakings in these Commitments. This request shall be accompanied by a report from the Monitoring Trustee, who shall, at the same time send a non-confidential copy of the report to the Committing Parties. The request shall not have the effect of suspending the application of the undertaking and, in particular, of suspending the expiry of any time period in which the undertaking has to be complied with.

SECTION I. ENTRY INTO FORCE

66. The Commitments shall take effect upon the date of adoption of the Decision.

(Signed)

duly authorised for and on behalf of

[…]

(Signed)

duly authorised for and on behalf of

[…]

SCHEDULE

1. In accordance with paragraph 9 of these Commitments, the Divestment Business includes:

(a) the following intangible assets owned by Chart:

- the Chart IPSMR Patents, including those listed in Annexes 1-1 and 1-2;
- the Chart IPSMR and Small-Scale Process Technology Know-How;
- the IPSMR trademarks, including those listed in Annex 1-3;
- a perpetual, worldwide, non-exclusive, royalty-free license to any intellectual property (including patents, patent applications, or know-how but excluding trademarks) that is used with, but not primarily or exclusively related to, IPSMR or Small-Scale Process Technology, for use in IPSMR and Small-Scale Process Technology; and
- the thermophysical model package plug-in for use with AspenTech HYSYS, together with all related and underlying codes, modelling and data.

For any asset listed in this Clause 1(a) that is not exclusively related to IPSMR or Small-Scale Process Technology, to the extent such assets are used in or necessary for the conduct of the Combined Entity's retained business, the Combined Entity will be entitled to obtain a perpetual, irrevocable, sublicensable, transferrable, worldwide, non-exclusive, royalty-free license for non-Process Technology use, and the Committing Parties shall have the right to retain an electronic copy of the thermophysical model package plug-in for non-Process Technology use by the Combined Entity's retained business.

(b) the Key Personnel, which includes (i) the employees with LNG process engineering expertise to be selected by the Purchaser from Annex 2, provided that the Purchaser shall have the opportunity to replace up to four (4) listed individuals with alternative Chart employees with comparable expertise if the Purchaser concludes, in good faith, that the employees listed in Annex 2 do not enable the Purchaser to operate the Divestment Business in a manner consistent with these Commitments; and (ii) at the Purchaser's option, up to two (2) Chart employees with expertise in supporting IPSMR-related functions (i.e., commercial and commissioning/start-up).

(c) the arrangements for the supply of Cold Boxes as described in paragraph 12 of the Commitments.

(d) the net economic benefit attributable to the Divestment Business from revenues after the Effective Date of Cold Boxes combined with IPSMR for the LNG Plant Projects listed in Annex 3(a), together with adequate contractual arrangements as and from Closing to enable the Purchaser to interact directly with Customers of such LNG Plant Projects by supplying the IPSMR scope and any related

services and aftermarket support.

(e) the net economic benefit attributable to the Divestment Business from revenues after the Effective Date of Small-Scale Process Technology solutions (whether sold independently or combined with Cold Boxes) for the LNG Plant Projects listed in Annex 3(b), together with adequate contractual arrangements as and from Closing to enable the Purchaser to interact directly with Customers of such LNG Plant Projects by supplying the Small-Scale Process Technology scope and any related services and aftermarket support.

(f) the arrangements for the provision for transitional support as described in paragraph 11 of the Commitments.

(g) any of the following assets exclusively or primarily related to IPSMR or Small-Scale Process Technology: tangible assets, licences (including software licenses), permits, authorisations, contracts, agreements, leases, commitments, understandings, customer, credit and other records.

(h) provisions intended to enable the Purchaser to obtain the non-exclusive use or benefit (through license or otherwise) of any assets of the types listed in Clause (g) which are not exclusively or primarily related to IPSMR or Small-Scale Process Technology, to the extent they relate to IPSMR or Small-Scale Process Technology.

(i) the physical or electronic copies of technical and commercial documentation related to IPSMR and Small-Scale Process Technology.

2. The terms of sale of the Divestment Business shall include adequate provisions to allow the Combined Entity continued use, on a non-exclusive basis, of the Assets in the LNG Plant Projects listed in Annex 3; and any existing licensees continued use, through novation or otherwise, of the Assets consistent with the terms of the relevant license agreements.

3. The Divestment Business shall not include:

(a) the Personnel, except for the Key Personnel;

(b) any tangible or intangible assets, contracts, agreements, leases, commitments and understandings, customer, credit and other records not primarily or exclusively related to IPSMR or Small-Scale Process Technology.

4. If there is any asset or personnel which is not covered by paragraph 1 of this Schedule but which contribute to the current operation (and are not excluded pursuant to paragraph 3 of this Schedule or addressed in paragraph 2) or are necessary to ensure the viability and competitiveness of the Divestment Business, that asset, personnel or adequate substitute will be offered to potential purchasers.

Annex 1-1. List of Chart IPSMR Patents

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Annex 1-2. List of Pending Chart IPSMR Patents

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Annex 1-3. - List of Chart IPSMR Trademarks

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Annex 2. List of Key Personnel

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Annex 3(a) – List of IPSMR LNG Plant Projects

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Annex 3(b) – List of Snall-Scale LNG Plant Projects

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