

# Sustainability at core

## Building a World That Works for Tomorrow

Throughout our 130-year history, GE has held a larger purpose of innovating technology to lift the quality of life for people around the globe—a core driver of sustainability.

Sustainability priorities are woven into all that we do, including our business strategy, policies, leadership engagement, operating mechanisms, commitments and, ultimately, our products. From ensuring that more people have access to more reliable, sustainable and affordable energy; to making precision health more accessible; to helping people thrive by staying connected to family, friends and economic opportunities, we are committed to making a substantial impact on people and the planet for the better.

As we look ahead to forming three independent companies with sustainability at their core, our pursuit of the energy transition, precision health and future of flight is unwavering. Our mission to succeed in these goals is governed by core sustainability priorities built first and foremost on GE's unique culture of integrity in everything we do. As the world changes, we continuously adapt and improve our programs to best ensure we succeed in these priorities. As our ~168,000<sup>1</sup> diverse employees share a common mission to build a world that works, we are focused together on these priorities.

Read the full report at [www.ge.com/sustainability](http://www.ge.com/sustainability). TCFD, SASB and GRI indices can be found [here](#).

## Our Sustainability Priorities



*"As we prepare for a new and defining chapter in GE's history, sustainability is deeply rooted in all of our plans and priorities. I'm incredibly proud of the ownership and initiative that our employees have displayed in this area, as well as the shared appreciation they have for doing things the right way. With this collective mindset in place, I know we can continue to expand on our 2021 accomplishments in the years ahead to build a world that works – for everyone."*

### H. LAWRENCE CULP, JR.

Chairman of the Board and Chief Executive Officer, GE CEO, GE Aviation

## Our Efforts

### Progress toward our commitments

**2030 carbon neutrality** commitment (Scope 1 & 2 emissions)

**21% reduction vs. 2019 baseline**

Ambition to be a **net zero company by 2050** for Scope 3 emissions from the use of sold products

### Improving programs

**ESG issues assessment** for GE Company and our businesses

More clearly articulating **product safety and quality** goals, programs and initiatives

Holistic strategy around **product stewardship and circular economy**

**Policy engagement and lobbying report** assessing alignment to Paris Climate Agreement

### Sustainability at core

Building three businesses focused on critical global needs in **energy, healthcare and aviation**

## Our Reach

### ENERGY TRANSITION



**1/3**

of the world's electricity generated with the help of GE technology

### PRECISION HEALTHCARE



**4M+**

healthcare installations

### FUTURE OF FLIGHT



**3 out of 4**

commercial flights powered by GE or partner<sup>2</sup> engines

### GLOBAL R&D

Invested **\$3.7B** in 2021<sup>3</sup>

**~168,000<sup>1</sup>** employees globally

Customers in over **175** countries

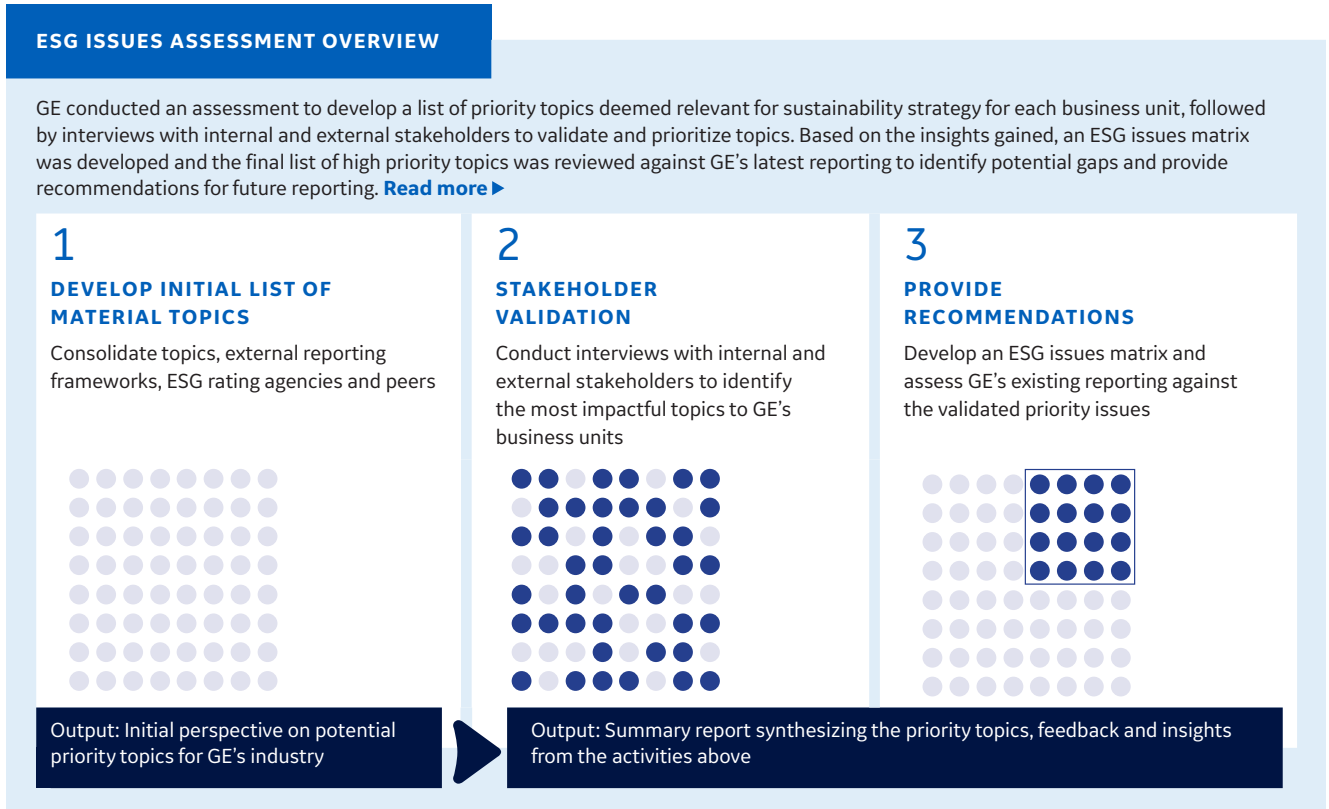
<sup>1</sup> Based on full-time equivalent, active employees as of December 31, 2021.

<sup>2</sup> CFM International is a 50-50 joint venture (JV) between GE and Safran Aircraft Engines; Engine Alliance is a 50-50 JV between GE and Pratt & Whitney.

<sup>3</sup> GE, customer and partner funded

# Continuous Improvement in 2021

## ESG Issues Assessments




The GE Corporate assessment reinforces that GE's success on its climate change goals, along with our culture of ethics and compliance and our safety focus, are top priorities.

Top issues across the business units include:

- Climate change
- Diversity and inclusion
- Investing in our people (including talent management, engagement, safety and well-being)
- Governance and ethics
- Product stewardship
- 
- Product safety and quality


**2021 HUMAN RIGHTS REPORT**



We released our GE Human Rights Report in 2022 to provide greater transparency into how we run our human rights program, from our suite of governance documents to our due diligence program. This report details our program with respect to our own workers, those of our suppliers and the communities affected by GE operations and business relationships.

Read our GE Human Rights Report [here ►](#)

**KEY METRICS: 2021 PERFORMANCE AND PRIORITIES**



Our ESG performance and priorities demonstrate our alignment with the UN Sustainable Development Goals (SDGs) to help address identified societal challenges. In our 2021 Sustainability Report, we share three years of metrics in financial performance, diversity and inclusion, human rights, safety, environmental stewardship, and lifting our communities. We also identified areas where our performance in 2021 vs. 2020 warranted greater focus and provide further details in the report.

Read our summarized performance and priorities [here ►](#)

## Driving progress on climate

### CARBON NEUTRAL 2030 COMMITMENT

Having met our 2020 emissions reduction targets ahead of schedule, we set a new goal to achieve carbon neutrality within our own operations (i.e., Scope 1 and 2 emissions) by 2030. To achieve this goal, our businesses are making operational investments in energy efficiency, reducing emissions from the grid through smart power sourcing and using lean practices to eliminate energy waste. While we are focused on driving absolute reductions to achieve carbon neutrality, where necessary we will balance remaining emissions with carbon offsets.

[Read more about GE's Scope 1 and 2 emissions ►](#)



#### AVIATION

GE Aviation is using several long-term strategies to lower its Scope 1 and 2 emissions, including energy efficient infrastructure investments and optimization, facility energy contracts derived from lower carbon and renewable-sourced energy, and exploring the use of Sustainable Aviation Fuel and other low carbon fuels at engine testing operations.

#### HEALTHCARE

GE Healthcare is focused on reducing its Scope 1 and 2 emissions through initiatives like reducing greenhouse gas releases from our facilities, moving fleet vehicles to electric and hybrid options, and transitioning to renewable energy.

#### RENEWABLE ENERGY

GE Renewable Energy is using two green lean workstreams to lower its Scope 1 and 2 emissions: optimizing energy use in global manufacturing facilities and expanding renewable electricity through the adoption of green tariffs, pursuit of onsite solar opportunities, and more.

#### POWER

GE Gas Power is focused on reducing its Scope 1 and 2 emissions through initiatives like reducing energy waste and investing in automated energy management with real time carbon tracking. Energy champions at 13 of our largest sites completed an intensive series of training and treasure hunt workshops, resulting in the identification of over 40 energy reduction projects.

### NET ZERO 2050 AMBITION

In 2021, we articulated GE's ambition to be a net zero company by 2050, including not just GE's own operations, but also the Scope 3 emissions associated with the use of our sold products. We are collaborating closely with our customers, suppliers, policymakers and other companies to turn net zero engineering challenges into business opportunities. We have several principles that are guiding our approach to our net zero ambitions:

#### GE NET ZERO PRINCIPLES

##### CREDIBILITY

Knowing this path will take decades, we prioritize credibility first and foremost with our stakeholders to share what we objectively know and don't know. This also means as we get better and more credible information, we will share that with our stakeholders.

##### CONTINUOUS LEARNING

Our analysis is our most credible information based on how we see things today. We are committed to continuous learning to enable more insights and opportunities to make a difference, and we expect to make progress over time.

##### COLLABORATION

We know no one company can solve these issues alone. With GE's spirit of humility, we welcome continued collaborations with our customers, investors, regulators, and peers to achieve success toward our goals. We summarize several of these key collaborations [here ►](#)

##### COMMITMENT TO INNOVATION AND TECHNOLOGY

Simply stated, GE's role in the world's path toward net zero is to deliver state of the art technology today to make progress while innovating the breakthrough technologies for tomorrow.

Applying these principles, we consider three pathways toward the net zero ambition for [GE Aviation](#) and [GE Power](#) and [Renewable Energy](#).

[Read more about GE's Scope 3 emissions ►](#)

#### Actions pre-2020

##### Building on substantial contributions from past action.

Our efforts toward net zero began well before 2021. GE has long innovated its products to drive efficiencies and reduce CO<sub>2</sub> emissions by delivering state of the art products. Our past efforts lay a strong foundation for the progress forward.

#### 2020-2030

##### Driving continued progress this decade.

We are prioritizing the 2020s as a decade of action, with a focus on innovating the technology solutions needed to achieve net zero emissions in 2050. This will take several forms, including advancing technology with the potential to further reduce carbon emissions and carbon intensity in this decade and beyond.

#### 2030-2050

**Innovating for the future.** While we are optimistic about the role of GE's technologies to make progress through 2030, we know they will not be enough to achieve 2050 net zero ambitions. We are investing today to innovate the next generation of breakthrough technologies to achieve the step changes that will be needed for the power and renewable energy and the aviation sectors.

## PARIS-ALIGNED CLIMATE POLICY ENGAGEMENT

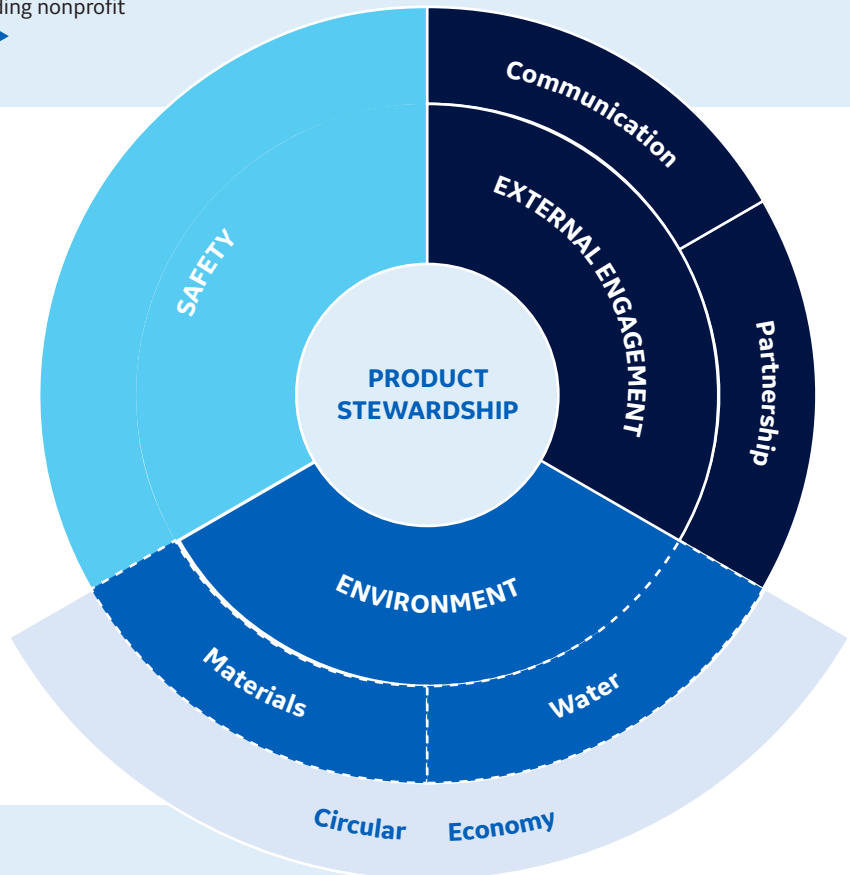
GE focuses its climate lobbying efforts on being a constructive voice in advancing policies that further a successful energy transition: the decarbonization of energy while growing access to more reliable, sustainable and affordable energy. Our lobbying activities are in furtherance of and consistent with our climate change goals, including the science and goals expressed in the Paris Agreement and the United Nations Framework Convention on Climate Change. We work in partnership with governments because we know that tackling the world's biggest challenges is only possible if governments and industry work together as partners. We also support associations that are leading on climate change solutions, policies, and technologies, including nonprofit organizations and trade associations. [Read more ►](#)

## PRODUCT SAFETY AND QUALITY

Lean is foundational to how we work at GE. Safety, Quality, Delivery, Cost (SQDC)—in that order—help us deliver for our customers and build a world that works. These are not simply four metrics that we are regularly reporting on, but instead are our desired set of shared instincts. At no point will an improvement in quality, delivery, or cost be done at the expense of safety. All GE businesses are committed to creating safe and effective products that meet the needs of our customers through continuously working to improve product quality. [Read more ►](#)

## PRODUCT STEWARDSHIP

In response to increasing scarcity of resources and the expectations from customers, investors and regulators for producers to take heightened responsibility for the impacts of products across their full lifecycle, we have developed product stewardship and circularity goals to strengthen our efforts going forward. Product stewardship is already a central part of GE's strategy and culture and ingrained across safety and quality processes, policies and initiatives globally. Our strategy includes continuous improvement through lean principles, which are key to identifying and eliminating waste. [Read more ►](#)



## ENVIRONMENTAL JUSTICE (EJ)

Beginning in 2019, GE enhanced its Brownfields Program to prioritize cleanup and redevelopment of idle contaminated properties in EJ communities. Using EJSCREEN (developed by the U.S. Environmental Protection Agency) and the Climate and Economic Justice Screening Tool (released by the Council on Environmental Quality), GE reviewed its full inventory of more than 100 owned, underused properties in the U.S. to identify those 53 parcels that are located in EJ communities. Local EJ community leaders have shared that one of their most pressing needs is financial investment to remove obsolete buildings and infrastructure. In response, GE has committed more than \$40 million to demolish its obsolete structures in EJ neighborhoods. Outside the U.S., GE is also screening its underutilized properties to target cleanup and redevelopment investments in disadvantaged communities. Several potential properties were identified for action in 2021. [Read more ►](#)





# How our strategy and sustainability priorities align with the UN Sustainable Development Goals (SDGs)

The UN Sustainable Development Goals (SDGs) represent a global agenda to address the most pressing challenges facing our world, including climate action, access to healthcare, and reducing inequities throughout the world. We recognize the importance and urgency of this global initiative and how GE plays a critical role in infrastructure, advancing quality of life, and furthering global development sustainably. GE has been a signatory to the UN Global Compact since 2008 and we see close alignment between the following SDGs and our strategy and sustainability priorities.

<b>3</b> GOOD HEALTH AND WELL-BEING	<b>5</b> GENDER EQUALITY	NEW
<b>7</b> AFFORDABLE AND CLEAN ENERGY	<b>8</b> DECENT WORK AND ECONOMIC GROWTH	
<b>9</b> INDUSTRY, INNOVATION AND INFRASTRUCTURE	<b>10</b> REDUCED INEQUALITIES	
<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES	<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION	NEW
<b>13</b> CLIMATE ACTION	<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS	
<b>17</b> PARTNERSHIPS FOR THE GOALS		

## OUR SDG STRATEGY AT A GLANCE

View our full assessment of our SDG strategy and progress report on pages 7 to 10 of our 2021 Sustainability Report.

## OUR INNOVATION

### LEADING THE ENERGY TRANSITION

7 8 9 11 13 17

GE is committed to building and delivering state-of-the-art equipment to manage emissions today while growing access to more reliable, sustainable, and affordable electricity. Our energy businesses provide integrated solutions with innovative onshore and offshore wind turbines, efficient gas turbines, and advanced technology to modernize and digitize electrical grids.

### ADVANCING PRECISION HEALTH

3 8 9 10

Our product innovations advance precision health through integrated, efficient, and highly personalized care, with a focus on increasing accessibility across the globe. We serve over 160 countries and are leading innovation in conventional technology and digital tools.

### DEVELOPING THE FUTURE OF FLIGHT

8 9 13

GE Aviation is innovating industry-leading technology to manage GHG emissions. Our newest engines offer better fuel efficiency and lower emissions than their predecessors. And we are at work today to develop advanced new engine architectures like open fan, hybrid electric propulsion and hydrogen fuel combustion.

## OUR PRIORITIES

### SAFETY

3 8

Looking after the safety of our people and those who work on our behalf is a top priority for the company.

### HUMAN RIGHTS

8 10 16 17

We respect the fundamental dignity of everyone we might affect through our operations, products, services and relationships across the globe.

### ENVIRONMENTAL STEWARDSHIP

7 9 11 12 13 17

In 2021, we set an ambition to be net zero by 2050 for Scope 3 emissions from the use of our sold products. We are collaborating with customers, suppliers, policymakers and other companies to turn net zero challenges into opportunities to advance sustainable development.

### LIFTING OUR COMMUNITIES

3 5 8

We believe that the energy, transportation and healthcare sectors can be leaders in a changing world economy by providing advancement, education opportunities, mentoring and community assistance.

## OUR APPROACH

### GOVERNANCE

17

Sustainability is integrated into the way GE operates, from our Board to our leadership, operations, strategic planning, and risk assessment. We engage closely with stakeholders, including employees, customers, investors, suppliers, communities, government officials, and the public.

### CULTURE OF INTEGRITY

8 16

Integrity is critical in everything we do. Our 19 policies, called *The Spirit and the Letter*, emphasize our commitments to Environment, Social and Governance programs.

### ADVANCING DIVERSITY AND INCLUSION

5

We take pride in providing a safe, diverse and respectful workplace that promotes equality. A key focus of our philanthropic efforts fosters women in science, technology, engineering and math fields and advanced engineering.