



Aerial view of GE's global R&D Facility in Rio de Janeiro



GE's Approach to Sustainability

At GE, sustainability means aligning our business strategy to meet societal needs, while minimizing environmental impact and advancing social development. This commitment is embedded at every level of our company—from high-visibility initiatives such as Ecomagination and healthymagination to day-to-day safety and compliance management around the world.

“At GE, we solve problems for customers and find solutions that make things better for society, the environment and the economy. We believe that innovation is at the heart of sustainability.”

— Jeff Immelt, Chairman and CEO

How GE Works

\$1B

Invested each year in employee development worldwide

Workforce & Idea Development
Governance
Integrity & Compliance
EHS Program Management
Global Growth

Building Things That Matter

\$17B

(2005–2015)

Ecomagination investment

Improving Health
Energy & Climate
Supply Chain
Water
Resource Productivity

Enabling Progress

\$4.5B

In 2015
R&D Investment

Philanthropy
GE Volunteering
Political Activities
Public Policy
Human Rights
Research & Development

How GE Works

10

Years as one of Ethisphere's World's Most Ethical Companies

1,700+

Alstom leaders trained on compliance within 90 days of close

Building Things That Matter

23,400

(2005 - 2015)

Supplier Assessments

9

Global Research Centers

Enabling Progress

1.1M

GE volunteer hours in 2015

\$201M

Total philanthropic contributions in 2015

Digital Industrial Company

What Defines the "New GE"

With a Portfolio of Businesses Connected Through the GE Store



Unmatched Digital Capabilities (2016 targets)

Digital Thread



Connecting 200K machines through our installed base & digitizing our engineering, commercial, sourcing & services functions

Predix™



Creating a common language through our cloud-based Industrial Internet operating platform with ~20K developers & ~50 partners

Industrial App Economy



Driving customer outcomes through 100+ innovative Industrial Internet apps



At GE, we solve problems for customers and find solutions that make things better for society, the environment and the economy. We believe that innovation is at the heart of sustainability. Last year we celebrated the 10 year anniversary of Ecomagination, a business strategy through which we have invested \$17 billion in clean tech R&D and generated \$232 billion in revenues from more efficient products. From 2005 to 2014 we also lowered our energy intensity, GHG emissions and fresh water use by more than 30%.

Market based approaches that don't pick winners or losers will drive technology advances around the world more efficiently and creatively than ever before. Today, global resources are under pressure to meet rising populations, economic growth remains uneven and social unrest continues around the world. Yet we are also in the midst of a digital revolution that is hyper-charging innovation. Countries are working on actionable plans to tackle climate change and there is a newfound focus by the global community on energy access and affordable healthcare solutions.

As a Digital Industrial company we have the tools to succeed in an evolving world and will continue to lead on sustainability through partnerships, digital solutions and new business models in the over 170 countries where we work.

Partnering for Greater Impact

Through Ecomagination, we have launched outcome focused partnerships with other like-minded companies to solve global challenges around energy, efficiency, GHG emissions and water. For example, we are partnering with Intel on digital solutions to make manufacturing more efficient, with Total to combine solar and gas for industrial use in developing markets and remote locations, and with MWH Global to further accelerate the use of water reuse technology around the world. These partnerships will have a greater positive global impact than any one company could have alone.

Through healthymagination, GE is partnering with scientific and policy-thought leaders to address the world's biggest health problems, namely the challenge to understand the brain and to combat conditions like Alzheimer's and traumatic brain injury. Through our Brain Health Initiative, we have partnered with the Kavli Foundation and the Allen Institute for Brain Science to create a unified platform that allows neuroscientists from around the world to better share, aggregate and analyze research data.

Unlocking Efficiency through Digital

The world is marching towards an increasingly digital economy, driven by the efficiency and productivity gains of analytics and the power of the Internet to connect people and ideas.

This year we launched Predix, the cloud-based platform for the Industrial Internet. With Predix as our foundation, we will increase energy and materials efficiencies and reduce emissions across industries using the power of analytics. For example, digital solutions running on Predix can boost a wind farm's energy production by as much as 20 percent. In transportation, GE locomotive control software can analyze data on train operations, weather and routes to deliver fuel savings and emission reductions of up to 17 percent. In healthcare, the GE Health Cloud can help unlock data, quickly and seamlessly so that clinicians can take action to improve outcomes and patient care around the globe.

New Technology and Business Models

With our acquisition of Alstom's power and grid business, we increased our ability to help provide energy for the more than one in six people in the world who lack access to electricity and the one in three who can't depend on the sources they have. We now have one of the world's largest renewable energy portfolios, including onshore and offshore wind, tidal and hydro technology. We are also able to deliver grid solutions to our customers on a much larger scale. Energy is a local issue and we will work to provide countries technologies that fit with their resources, existing infrastructure and social needs.

Through our startup Current, we launched a new business model to accelerate the adoption of energy saving solutions. Current brings together GE's LED, Solar, Energy Storage and Electric Vehicle businesses as an integrated offering for customers, and leverages GE's Predix platform to collect data and help customers understand how they're using, and losing, energy. This new offering will reduce energy consumption and related emissions, shave 10-20 percent off energy bills and help utilities better manage demand on the grid.

Drawing on our long history of integrity, business ethics and sustainability results, GE remains focused on pushing for positive change while delivering value for our investors as we embark on this exciting new phase of our company.

Jeffrey R. Immelt
Chairman and CEO, GE

How GE Works

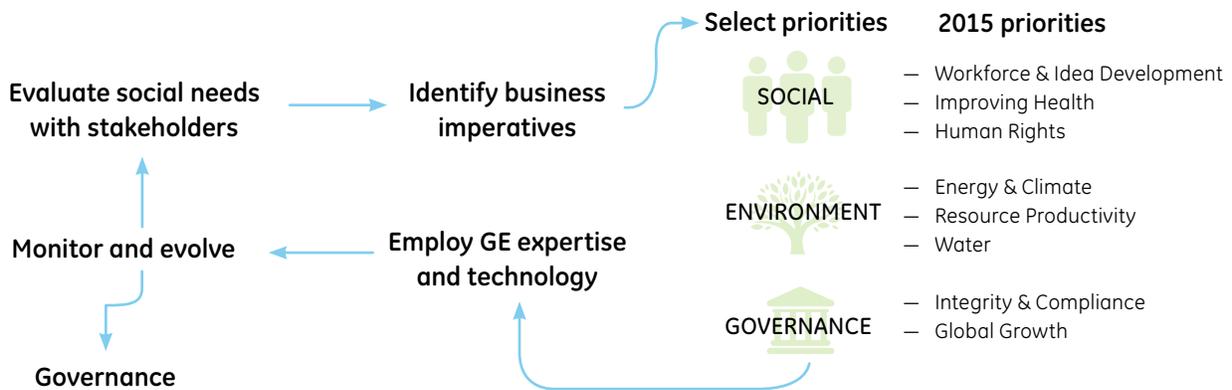
GE holds itself and its partners to the highest standards of integrity, and we are committed to leadership, job creation, working safely and building strong workforces in the markets where we operate.

4,686 **Workforce & Idea Development**
Goal: Recruit and hire 5,000 veterans
Progress: 4,686 veterans hired and trained since 2015

↓41% **Health & Safety**
Goal: Continuous reduction in recordable illness and injuries
Progress: 4% decrease 2014–2015; 41% reduction since 2005

Annual Prioritization Process

To identify our highest sustainability priorities (materiality in the Global Reporting Initiative sense), we began by evaluating the world's needs with stakeholders and identifying the intersections of those needs with GE's business strategies.



SUSTAINABILITY GOVERNANCE

The GE Board of Directors oversees the execution of GE's sustainability strategy as part of its oversight of business strategy and risk management.



Sustainability at GE

Our sustainability efforts are one element of our industry-leading strategies for assessing and mitigating risks and evolving our environmental, social and governance practices. Risk oversight is carried out by senior management within GE as well as by key committees within the GE Board. The Policy Compliance Review Board within GE management, which is chaired by the Company's general counsel and includes the chief financial officer and other senior-level functional leaders, has principal responsibility for monitoring compliance matters across GE.

Alstom Integration

Having a culture of compliance is central to who GE is as a company. When we acquire another company, large or small, we want to integrate it into our culture while still allowing it to retain those aspects that made it great to begin with.

We start by building the cornerstones of our compliance program, including open reporting and leadership engagement and accountability, within the new acquisition. In the case of the Alstom acquisition, we had 91 new ombudspersons in place on Day One and trained more than 1,700 leaders on compliance leadership within 90 days of closing.

Employees that came over with Alstom also received The Spirit & the Letter upon becoming GE employees. 'Spotlight on Integrity Day', a day focused on integrity and compliance as a shared responsibility, was held around the world to reinforce the commitment to integrity.

Workforce & Idea Development

By investing in our employees, we not only build careers, we drive progress. Because when one person grows, we all grow—and together, we all rise.

As a result of this commitment, GE invests more than \$1 billion each year in employee development worldwide. GE Crotonville, our global leadership institute, is at the forefront of contemporary thinking in leadership, strategy and innovation. Founded in 1956, it was the first corporate university in the U.S. and is the epicenter of GE culture.

Risk Management

The Board of Directors has oversight for risk management with a focus on strategic, operational, financial and legal and compliance risks. Taken together, these risks impact our intersected business and sustainability strategies.

Integrity & Compliance

GE infuses compliance and governance into every aspect of its business. We are committed to maintaining a world-class compliance culture in every GE business, everywhere we operate around the world, and to be recognized for it—internally and externally.



Global Growth

Global growth is a key element of GE's growth strategy. The global drive to increase standards of living creates opportunities for GE to employ our expertise and technology for building cleaner energy systems, enabling better health outcomes and developing efficient transportation infrastructure. With more than 80 years of experience in emerging markets, GE understands the need to provide solutions that are technologically advanced and locally appropriate.

-14% (since 2005)
Days away from work
incident rate

148
ISO 14001 certified sites

Building Things That Matter

GE works every day to bring to market innovative solutions that provide energy and water security, create jobs, improve health and reduce environmental impact.

↓17%

Water

Goal: Reduce water usage by 20% by 2020 (from 2011 baseline)

Progress: 17% reduction through 2015

↓12%

GHG Emissions (CO₂e)

Goal: Reduce GHG emissions 20% by 2020 (from 2011 baseline)

Progress: 12% reduction through 2015

A Look to the Future

In February 2014, GE announced a new goal for GHG reductions through 2020. This new goal is a 20% absolute reduction from a 2011 baseline of operational GHG emissions and was developed in concert with “The 3% Solution,” a science-based methodology from the World Wildlife Fund (WWF) and CDP (formerly called the Carbon Disclosure Project). The 3% Solution helps companies like GE identify an emissions-reduction path related to the scientific goal of avoiding the 2 degree Celsius “tipping point” and illustrates that corporations can profit while helping stabilize the climate. The 3% Solution target and profit calculator can be found at www.the3percentsolution.org. Meeting the 20% reduction goal should result in a 40% reduction in our Company’s carbon footprint from the original 2004 baseline.

Creating Value for Society

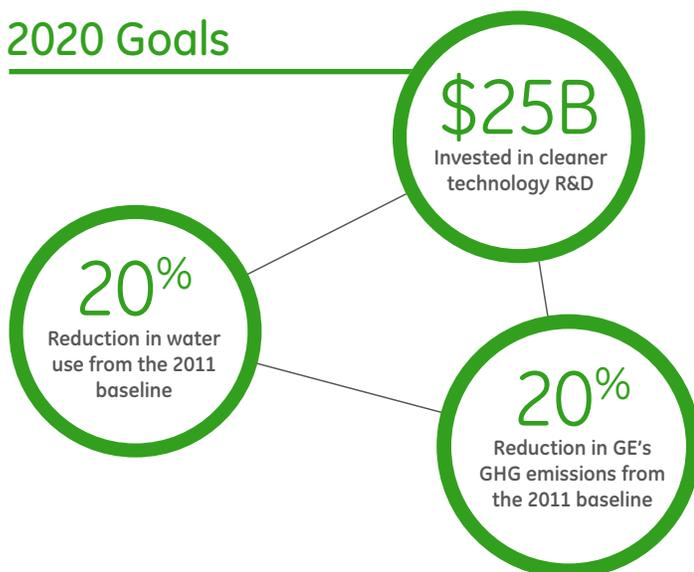
We build infrastructure that helps solve some of the world’s most complex challenges and provides a foundation for a sustainable future.

Our investment in strategic sectors such as energy, healthcare and infrastructure creates value for our customers, shareholders and society. Our innovations provide practical solutions to sustainable development challenges and are tailored to address local needs.

Brilliant Factory

GE Power’s Brilliant Factory in Greenville, South Carolina was the overall winner in the fourth annual GE EcoAwards program. This program recognizes innovative sites and project teams around the world for their major accomplishments in environmental sustainability. The facility is an older factory that is adopting a leading-edge network infrastructure to stay competitive. The Greenville Brilliant Factory Energy Management initiative dedicated personnel to focus on implementing efficiency opportunities and drive environmental improvement and cost savings efforts. By deploying real-time sensors, determining historical trends and using analytic big data tools, Greenville’s Brilliant Factory achieved significant savings in facilities costs. Drawing on detailed consumables purchase and usage data, Brilliant Factory Consumables Management was able to reduce, reuse and recycle materials to the fullest extent possible, resulting in major cost savings. The Brilliant Factory Machine Health now uses real-time machine usage data to reduce wasteful purchases of unnecessary filters, fluid, and parts replacement and disposal based on arbitrary timelines. The results include incredible reductions in greenhouse gas emissions and electricity consumption, as well as millions in annual cost savings.

2020 Goals



Ethical Supply Chain

Suppliers are critical partners in GE's value chain. As GE's businesses have globalized, so has our supply chain, including in locations where environment, health, safety, labor, human rights and other practices can be problematic. We expect our suppliers to obey the laws that require them to treat workers fairly, provide a safe and healthy work environment, and protect environmental quality. GE's Supplier Expectations govern all facets of the Company's relationships with suppliers, and include specific prohibitions against forced, prison, or indentured labor, and prohibitions against subjecting workers to any form of compulsion, coercion or human trafficking.

ZeeWeed Membrane

GE's state-of-the-art ZeeWeed ultrafiltration membrane technology has revolutionized the water and wastewater treatment industries by treating 1 billion gallons of industrial and municipal wastewater every day in 44 countries across the globe. The quality of drinking water produced meets stringent standards, while using up to 60% less chemicals, 30% less land and producing 35% less residual waste than conventional potable water treatment systems. The technology also results in significant energy savings for customers. The energy savings from a 2.5 million gallons per day ZeeWeed membrane bioreactor plant with advanced process aeration controls is equivalent to the annual power usage for 21 American homes.



Safe Surgery Initiative

Five billion people globally lack access to safe, affordable surgery when they need it.

Changing this reality could save 1.5 million lives per year. Safe Surgery 2020, an initiative spearheaded by the GE Foundation's Developing Health Globally™, builds reliable surgical ecosystems and supports the surgical teams who do lifesaving work in the world's most resource-constrained operating rooms.

With an initial commitment of \$25 million over the next three years, Safe Surgery 2020 is working at the hospital level to deliver leadership training to these surgical teams, and further equip their hospitals through access to innovations such as surgical oxygen and safe-water solutions.

Improving Health

Healthmagination is working to bring better health to more people. We remain committed to continuously developing and investing in innovations that deliver high-quality, more affordable and accessible healthcare to more people around the world.

~2.5%

GE's annual health care cost growth rate since inception of HealthAhead

Nearly
500

Sites impacted by the HealthAhead program

Enabling Progress

GE has stayed competitive for more than a century—not because we are perfect, but because we make progress and we have continued our investment in R&D and innovation. We are also enabling progress for others around the world.

\$201M

Charitable Giving

Goal: Support community and educational programs through charitable contributions

Progress: \$201M in contributions from GE businesses, GE employees and the GE Foundation in 2015

1.1M

Volunteer Hours

Goal: Support GE Volunteers to at least 1 million volunteer hours

Progress: 1.1 million GE Volunteer hours reported globally with 262 local councils established in 61 countries

Commitment to Progress

Our employee volunteers and the GE Foundation are advancing economic development and improving lives in our communities, empowering others by helping them build the skills and capacity they need to succeed in a global economy.

GE also supports business environments that will sustain growth for the long term, including promoting transparency, good governance and open markets.

Learn more about GE Foundation's Developing Futures in Education program [here](#).

Conflict Minerals

In the United States, GE's Conflict Minerals Report for the 2014 reporting year was ranked sixth out of 155 filers evaluated by the Responsible Sourcing Network in Mining the Disclosures 2015, and 23rd out of more than 1,200 total filers in the U.S. that were evaluated by researchers at Tulane University.

GE also increased by 93% the number of smelters/refiners of tantalum, tin, tungsten and gold in GE's supply chain that have been verified to be conflict-free, for a total of 137 smelters/refiners. 100% of GE Lighting's first-tier tungsten smelters have been verified as conflict-free as a result of GE's direct engagement with CFSP and tungsten smelters.



GE Volunteers

GE Volunteers is a global network that includes GE employees, retirees, Affinity Groups, friends and family—"good people doing great things"—all supported by GE businesses and corporate resources. The mission of GE Volunteers is to facilitate and support volunteering activities that improve life and meet critical needs in the communities where GE people live and work around the world. These activities are carried out through a wide range of projects in the areas of health, education, the environment and community-building. GE's focus on volunteerism dates back to 1981, and further

evolved in 2005 when GE Volunteers was more strategically positioned to encourage broader participation and to support a more significant contribution to our communities.

Since 2005, GE employees and retirees have reported more than 12 million hours spent volunteering on more than 52,000 projects spanning 61 countries. In 2015 alone, employees volunteered for more than 1 million hours.



Jeff Immelt and Deb Frodl met with thought-leaders in Paris to discuss drivers in industrial efficiency

Public Policy

GE approaches public policy through education, engagement, involvement and thought leadership. We seek to inform discussions by promoting thoughtful civil discourse grounded in strong, reasoned analysis. We work in partnership with governments, believing that tackling the world’s biggest problems will be possible only if governments and industry work together as partners. Each year, GE evaluates public policy priorities for the upcoming year. The GE team reviews a number of factors, including the potential reputational effects and risks of pursuing or not pursuing a particular priority. We set commercial priorities to increase shareowner value, mindful that our commercial success depends upon progress on broader public policy imperatives.

GE has been actively engaged in discussions of global economic reform in such areas as energy, healthcare, financial services, international trade and investment, tax, and government procurement.

Human Rights

As a diversified, global Company with growth in emerging markets, we will inevitably confront human rights issues. Our own Statement of Principles on Human Rights helps frame our response, and we have issued Implementing Procedures to help the businesses operate in a manner that respects human rights. Those responsible for implementing the procedures reside in various businesses, in several functions, and are spread over broad geographies.

At the corporate level, responsibility for human rights strategy rests with the vice president for International Law and Policy, who reports to the General Counsel, with input from other functional officers. The GE Foundation, through its president and the Company’s chief diversity officer, also plays a role in helping fund philanthropic programs focused on human rights.

R&D

GE works every day to improve the world by pushing the limits of science and technology for our customers. Our products are aimed at solving some of the world’s toughest challenges.

GE invests in technology and innovation. Since 2001, the Company’s research and development budget has more than doubled, reaching \$4.5 billion in 2015. That figure represents 4% of GE’s industrial revenues. GE’s Ecomagination and healthymagination initiatives have established measurable commitments for creating products that, respectively, improve our customers’ energy, carbon and water-efficiency footprints, and the affordability, accessibility and quality of healthcare.



GE’s global R&D Facility in Rio de Janeiro



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 Fairfield, CT 06828
 (203) 373-2211

Learn more about GE and its sustainability performance:
www.ge.com
www.gesustainability.com
www.gefoundation.com

Recent Recognition



United Nations Global Compact (UNGC)

Signatory, 2008–Present



Corporate Equality

Human Rights Campaign, 2016 (100/100)



100 Best Corporate Citizens

CR Magazine, 2008–2015



Most Ethical Companies

Ethisphere, 2007–2016



World's Most Admired Companies

Fortune, 2016 (2016: #10 overall; #2 in Electronics)



100 Best Companies for Working Mothers

Working Mother, 2015



Best Places for Women & Diverse Managers to Work

DiversityMBA Magazine, 2015