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EDITED TRANSCRIPT

General Electric Co Annual Shareholders Meeting

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CORPORATE PARTICIPANTS

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

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CONFERENCE CALL PARTICIPANTS

Martin Harangozo

Lila Holzman

Michael Barbera

Kam Franklin

PRESENTATION

Operator

Good morning, and welcome to GE's 2021 Annual Shareholders Meeting. We do not expect any technical difficulties today. However, in the event we lose audio or webcast connection, please wait in the meeting site until we are able to resolve or provide an update.

Please refer to the GE Investor Relations website at www.ge.com/proxy for updates. The polls are open. To vote click on the Vote Here button at the bottom right corner of the webcast screen. The polls will remain open until the conclusion of the balloting portion of the meeting.

With that, I will now turn it over to GE to begin the meeting.

(presentation)

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Good morning, and thank you to all our shareholders and guests for joining us today. This is Mike Holston, GE's Senior Vice President, General Counsel, and Board Secretary. I'm speaking to you from GE's headquarters in Boston. I'm joined in the room today by GE's Chairman and CEO, Larry Culp. Before we begin, I'd like to note that during the meeting today, we may make forward-looking statements about our expectations or predictions about the future. Because these statements are based on current assumptions and factors that involve risks and uncertainties, GE's actual performance and results may differ materially from what is said here today. Please refer to our 2020 annual report on Form 10-K, the first quarter 10-Q, and other subsequent filings the company may make with the SEC for detailed discussions of principal risks and uncertainties that could cause such differences.

The agenda for today's meeting is shown on the screen and is also available for download from the meeting website. The rules of conduct, the GE Proxy Statement, and our Annual Report are also available for download from the bottom of the screen for the webcast. Our rules of conduct are designed to ensure that we have a fair and orderly meeting.

We'll start with an update on our company's operations from our Chairman and CEO, Larry Culp.

Following Larry's presentation, we will move on to the formal part of the meeting, including voting on the management and shareholder proposals that are set forth in the proxy that was distributed to shareholders and that is also available on the meeting website.

Next, we will conduct balloting and hear from the Inspectors of Election with the preliminary vote tallies.

Following the formal portion of the meeting, we will proceed to answer shareholder questions. Questions can be submitted in writing in the lower left-hand corner of the webcast screen.

Now I'd love -- I'd like to welcome Larry to get us started with an update on the company. Larry?

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, thank you, and thanks to all of you for joining us today. Welcome to the 2021 GE Annual Meeting of Shareholders. We do hope you and yours are healthy and safe today. Everyone's safety remains our #1 priority. So we're hosting this meeting virtually again this year. But rest assured, we're hopeful that next year, we'll be able to meet in person.

When I spoke to you last year, we were in the early days of the global pandemic. While we still have some way to go, especially when we look at what is happening in India, I'm optimistic to see vaccines continue to roll out and believe there is a light at the end of the tunnel. And I want to start by thanking you for your support and your commitment to GE.

Diving in, there's a lot we're doing day in and day out to build momentum across our company. This starts with our purpose. GE exists to rise to the challenge of building a world that works. Our employees did that in remarkable fashion in 2020. I'm proud to work with this resilient and passionate team who navigated a challenging year by focusing intently on safety, customers, and preserving our strengths.

Protecting the safety of our employees around the world is at the cornerstone of everything that we do and will always be our top priority. COVID-19 only served to reinforce its importance.

We have kept this focus while continuing to deliver for our customers. From servicing our products and hospitals, so doctors and clinicians can provide critical care to sending our teams out into the field to ensure that power flows and planes continue to fly.

We preserved our strengths by focusing on what we could control in 2020. Last year, we executed more than \$3 billion of cash actions, enabling us to deliver positive free cash flow for the full year.

But those are the points you likely already know. There are many stories over the past year of our employees rising to the challenge of COVID-19 that the outside world likely didn't hear.

Such as the story of Tyler Verme. At home in Salt Lake City last March, Tyler received an urgent phone call from his boss, in Wisconsin. Our Healthcare factory there was gearing up to increase its ventilator production, a crucial tool in the pandemic fight. Tyler has such a formidable knowledge of ventilator valves, a key part of the machine that he's been called our valve Guru. When Tyler got the call, he, his wife, and their dog, drove 1,400 miles to aid in the fight. Tyler shared his skills with colleagues acting as a teacher, quality control expert, and troubleshooter. This is the GE I know.

Our company turned 129 years young a few weeks ago. If there is one truth that has endured the test of time, it is our purpose, and it's worth repeating. GE rises to the challenge of building a world that works. It's why I come to work every day and why I'm excited about our future.

One of our key leadership behaviors is delivering with focus. The challenge of COVID-19 did, in many ways, provide focus. It allowed us to accelerate our work on positioning GE for the long-term against 3 core tracks.

First, on solidifying our financial position. At our meeting last year, we had just closed the first quarter with \$47 billion of cash, including \$20 billion from the BioPharma sale. This meant our liquidity was sound just as the pandemic related market uncertainty was growing. We then executed a series of transactions to further enhance our liquidity and minimize risk.

In March of this year, we announced the combination of our GECAS business with AerCap for a total consideration worth more than \$30 billion. After closing, importantly, we will have reduced our debt by more than \$70 billion since the end of 2018.

In 2020, we also strengthened our operational foundation by laying the groundwork for LEAN, which is helping us improve safety, quality, delivery and cost as well as high quality growth. Our lean work is just beginning. Scaling lean company-wide will help us drive lasting operational and cultural change.

Finally, we're shifting toward playing more offense. Some people hear this phrase and immediately associate it with acquisitions. I don't. While there's a time and place for that, we're focused on organic growth first. The best companies I know, market, sell and service the products they have today exceptionally well, creatively invent the new products for tomorrow, all the while investing in innovation for the long haul. When we think about building GE long-term, it's about doing all 3 of these activities in an integrated, consistent, high-quality way.

Now let me share with you what we're seeing in our businesses.

I'll start with Power. In 2020 gas-based electricity generation and GE gas turbine utilization remained resilient. Power demonstrated the kind of progress on cost, margins and cash generation that is possible across GE with better operational rigor. Take Gas Power. We delivered positive free cash flow one year ahead of our commitment due to cost reductions and working capital improvements. We're making similar progress across the Power Portfolio, where Power Conversion, for example, improved factory on-time delivery performance and inventory turnover. Across Power, we're building stronger operational foundations to expand margins and generate cash in the years to come.

Renewable Energy has one of the broadest portfolios in the industry, offering onshore and offshore wind, grid, hydro power, and hybrid solutions, including solar and storage. In 2020, Onshore Wind delivered record global volumes, Offshore Wind received full certification for the new Haliade-X, the world's most powerful offshore wind turbine built today, and Grid Solutions and Hydro delivered better project execution and cost reduction. Renewable's 2020 backlog was at a record high of \$30 billion with better margins, but we have more to do. Rest assured, our team remains focused on continuing these operational improvements.

At Aviation, our team has supported our global customers throughout the pandemic, helping them manage their fleets and maintenance plans as they sought to conserve cash. Aviation improved margins through the year and delivered nearly breakeven free cash flow. Our GE9X engine was certified by the U.S. FAA, completing our commercial product portfolio renewal with groundbreaking efficiency gains in every market. While it remains difficult to predict when air travel will fully resume, we'll be ready with the industry's largest and youngest fleet with servicing opportunities ahead.

In Healthcare, our team is on the front lines of COVID-19, responding to the exponential increases in demand for certain products. We increased output for critical equipment and supported customers on-site with installation and service, while also navigating delays due to the postponement of elective procedures.

Despite these challenges, Healthcare grew revenue and delivered strong margin and cash in 2020, while also investing for the future. We launched more than 40 new products and acquired Prismatic Sensors which specializes in photon counting CT technology. And we see opportunity to drive further growth and invest more in this business.

In summary, this is GE, 4 mission-critical industrial businesses, each with growing backlogs where services give us daily opportunities to serve our customers and create a significant source of recurring revenue.

While momentum is building across GE, we've also been fortifying our foundation. We're running the company differently with lean and decentralization as well as a continuous focus on safety. Lean is not an initiative. It's a way of thinking. It's a way of working, focused on problem-solving and continuous improvement to create value for customers.

Let me give you one example out of many I've seen over the past year. In our recent operating reviews, we discussed how we can do a better job in the field when performing an outage for a gas turbine. This happens every day. Our Gas Power manufacturing team used to provide replacement part crates which required 14 hours from the FieldCore team to prepare the parts for installation at a customer site. Our manufacturing and field services teams redesigned the process together resulting in a safer, quicker approach that now takes just 2 hours.

We're coupling Lean with a significant decentralization effort. This means managing not just the 4 segments we report but the nearly 30 businesses under them, where the work at GE is done. This combination of Lean and decentralization is maximizing value for our

customers, while increasing accountability at the businesses. And even though it's still early in our journey, we're seeing tangible operational and financial results.

All of this naturally intertwines with safety. A Lean mindset is one that puts the customer first and a decentralized model listens to the people closest to the work, a true operational approach to safety works the same way.

A good example was in Healthcare. In October while delivering a CT system to a customer site, the gantry toppled off a delivery truck, nearly striking the logistics contractors. The team implemented a stop work to take a deeper look at field installation safety. Challenging the current work practices, equipment and standards, they found it was a shared challenge from the manufacturing floor all the way through to customer installation. They leverage Lean to examine incident data and validate opportunities, and the team has defined areas for improvement and ensured we can move our products safely. That's what Lean is all about.

I hope these examples help convey the real operational and cultural change underway at GE. And the good news is opportunities like these for high-impact deployment of Lean abound throughout our company.

If Lean is "how" we will transform GE, our "why" is focused on 3 important opportunities. The energy transition to drive decarbonization, precision health that personalizes diagnoses and treatments and a future of smarter and more efficient flight.

As a company that generates 1/3 of the world's electricity. GE is at the center of the energy transition with our Power and Renewables businesses. And we know we have an important role to play as the global effort to decarbonize continues to reshape how energy is produced and consumed. This includes Gas Power's role in helping customers shift from coal to gas. And Renewables holding the #1 position in North America Onshore Wind 2 years running. It also includes our own operations, where we have set a goal for carbon neutrality by 2030.

In Healthcare, we're at the forefront of the precision health revolution. We have a leading position in many imaging modalities, and we're growing our digital and AI solutions, which will enhance the personalization of diagnostics and therapeutics. Take an area like cancer screening. Our solutions are improving patient outcomes, helping clinicians rule out false positives and streamlining workflows for providers and payers alike.

The future of flight will be defined both by how the Aviation industry emerges from the current cycle and how it innovates to improve efficiency. No company is better positioned for what's next in the industry. As the market recovers, we're well placed with the largest and youngest engine platform. We have more than 37,000 commercial engines, and more than 60% of our fleet has not yet had its second shop visit, underscoring the value our platform will generate for decades to come.

And importantly, at GE, our technology and expertise across critical markets enables us to lead along with our customers in creating a more sustainable future.

As we manage GE for the long-term, we're focused on continuing to run the company with the highest commitment to integrity.

We're fortunate to have an engaged board that brings perspective, diversity of thought and experience to help GE through this transformation. Additionally, as outlined in our proxy, the board has made and continues to make significant efforts to engage with our shareholders and solicit your feedback.

Let me close on this. 2020 was a year like none other. I hope you can see that in the face of great uncertainty, we continue to make meaningful progress, and this continues to be the case in 2021. We're on a positive trajectory, starting the year with a transformative deal to make GE a more focused, simpler, and stronger company.

I'm excited about the opportunities that lie ahead of us. But most of all, I'm truly proud of the GE team and their remarkable resilience. We've created a short video for you here on our team's work over the last year that will play now.

(presentation)

H. Lawrence Culp *General Electric Company - Chairman & CEO*

With that I'd like to go ahead and start the official business for the meeting by introducing my colleagues on the Board of Directors. Each of them is joining us on the line today. Our directors are:

Sébastien Bazin, Chairman and CEO of AccorHotels, a Director since 2016.

Ash Carter, Director of the Belfer Center for Science and International Affairs at the Harvard Kennedy School and a former U.S. Secretary of Defense, a Director since 2020.

Frank D'Souza, former CEO of Cognizant Technology Solutions, a Director since 2013.

Ed Garden, Chief Investment Officer and Co-Founder of Trian Fund Management, a Director since 2017.

Tom Horton, Partner at Global Infrastructure Partners and the former Chairman and CEO of American Airlines, a Director since 2018. Tom is our Lead Director and Chair of the Management Development and Compensation Committee.

Risa Lavizzo-Mourey, Professor Emeritus at the University of Pennsylvania; and the former President and CEO of the Robert Wood Johnson Foundation, a Director since 2017. Risa is Chair of the Governance and Public Affairs Committee.

Cathie Lesjak, former CFO of HP, and Director since 2019.

Paula Rosput Reynolds, President and CEO, PreferWest and the former Chairman and CEO of AGL Resources and Safeco Insurance Company, a Director since 2018.

Leslie Seidman, former Chairman of the Financial Accounting Standards Board, a Director since 2018; Leslie chairs our Audit Committee.

Aand Jim Tisch, President and CEO of Loews, a Director since 2010.

I'll now hand it back to Mike to walk us through the formal part of the meeting and the voting matters that are set forth in the proxy. Mike?

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. I'm advised that this meeting is properly convened. That we have a quorum and that the proposed resolutions presented in the Proxy Statement are filed as part of these proceedings. We have received proxies representing a majority of the outstanding shares eligible to vote. And the management proxy committee has voted those shares in accordance with shareholder wishes.

As the operator noted at the beginning of the meeting, the polls are open. If you have not already voted your shares or if you wish to change your vote, you may do so by clicking on the Vote Here button at the bottom right-hand corner of the webcast screen. The polls will remain open until the conclusion of the balloting portion of the meeting.

The independent inspectors of election are representatives of First Coast Results. And the inspectors have taken the oath of office required by law.

We'll take up the election of directors and the management proposals first. Then we'll turn to the shareholder proposals. After presentation of the management and shareholder proposals, we will address questions that are specific to those topics.

There will also be time later in the meeting for questions on other business matters. But first, we'll address the items in the proxy statement.

First up is the election of directors.

I place before the meeting to serve as directors for the coming year the 11 individuals who were introduced at the start of the meeting by Larry and whose backgrounds and qualifications are described in more detail in the Proxy Statement.

Your Board of Directors recommends a vote for each of the director nominees.

The next item is the proposal to approve our named executives' compensation.

Your Board of Directors recommend a vote for the approval of our named executives' compensation.

The next item is ratification of Deloitte as independent auditors for 2021.

We have with us on the line today, John Rhodes, Deloitte's Lead Audit partner for the GE Audit; and Joe Ucuozglu, who is the CEO of Deloitte.

Your Board of Directors recommends a vote for the ratification of Deloitte as independent auditors for 2021.

Last up for the management proposals is approval for a reverse stock split and reduction in our authorized stock and par value. Your Board of Directors recommends a vote for this proposal.

We will address any questions on these management proposals in a few minutes after we hear the shareholder proposals and before concluding the balloting.

Okay. Let's now consider the shareholder proposals listed in the agenda.

I understand that Martin Harangozo is on the line today to present -- to present the shareholder proposal on the multiple candidate elections.

Operator, if you could, please open the line for Mr. Harangozo.

Martin Harangozo

Good morning. Thank you. My name is Martin Harangozo. I'm grateful to be a shareholder. I love this company, people and products. I've been a shareholder more than 30 years. I've been an employee for more than 20 years. My retirement, savings and quality of life rely in part on the success of this company.

I want only the very best for this company, both short and long-term. I care enough to raise my hand to stand and to speak. I do not know of a more honorable shareholder or intention. In 1990, I joined GE on the prestigious manufacturing management program.

I worked on real projects that make real money, received raises, promotions, stock options and awards. I was encouraged to raise my hand. The Board and Chairman had sufficient confidence in the company and their leadership that they would routinely split the stock shares as they neared the \$100 level.

The stock went up tenfold, former CEO, Jack Welch video taped my shareholder meeting comments and televised them. I was the happiest engineer in the country. 20 years later, I saw nonsense accounting, nonsense purchasing, nonsense engineering, and nothing replaced hand raising.

My boss Matthew Johnson, a very obese man appears to account for our income in the year 2010 for parts that were not planned to be sold until late 2011. GE, was routinely fined by the Securities and Exchange Commission for misleading data. My boss Matthew Johnson

contradicted General Electric Company written procedures regarding accounting, purchasing, engineering, document retention, health ahead and other written procedures as a Spirit and Letter.

Matthew Johnson retaliated against those that questioned his accounting that apparently contradicted generally accepted accounting principles, Matthew Johnson lied under oath. Now the current Board and Chairman demonstrate their complete lack of confidence in the General Electric Company and their own abilities as they seek to reverse split their shares to get to \$100 share price.

Once the shares again fall to \$10, they can reverse the split the stock again to get to \$100. This is a signal of complete inability to lead all while the broader stock market sets new records many times in the last 20 years. Mr. Culp you stated, submitted in confidence to retaliate against my 2020 shareholder recommendations violating the Spirit and Letter. Clearly, we need a new board and chair. One way to accomplish this is to recommend to the board that each board seat, including the chair's seat be presented with the option of 2 candidates for each available board seat, giving shareholders the final vote regarding Director choice.

I urge all shareholders to please vote yes for shareholder proposal #1, multiple candidate elections.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thank you, Mr. Harangozo. The Board recommends against this proposal for the reasons set forth on Page 64 of the proxy.

I understand that Kam Franklin is on the line today to present the shareholder proposal on the appointment of an independent board chair on behalf of Kenneth Steiner.

Operator, could you please open the line for Ms. Franklin.

Kam Franklin

Good morning. Ballot item 6, independent Board Chairman. Shareholders request that the Board of Directors adopt a policy to require that the Chair of the Board of Directors be an independent member of the Board, whenever possible, including the next Chair of the Board transition. This proposal topic won impressive 41% at the 2018 GE Annual Meeting, even though it was not a fair election.

GE management put its hands on the scale and spent shareholder money on advertisement to oppose this proposal topic. Shareholders did not have a choice about their money being used to oppose this proposal topic. A good reason to support this proposal is that GE has the wrong person as Lead Director.

Mr. Thomas Horton is a former CEO, and his role is to oversee the GE's CEO. Having a former CEO in the role of Lead Director is like having a union organizer set the pay for the hourly workers. Being a former CEO can make Mr. Horton a champion of CEO rights at the expense of shareholders. People tend to favor members of their peer group.

Please vote yes, independent Board Chairman ballot item #6. Thank you very much for your time.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thank you, Ms. Franklin. The Board recommends against this proposal, and believes combining the Chair and CEO roles is the right Board leadership structure for GE today for the reasons set forth on Page 65 of the proxy.

Our third and final shareholder proposal comes from As you Sow. Lila Holzman from As You Saw, is presenting the shareholder proposal regarding a report on net 0 indicator. I believe Ms. Holzman is on the line.

Lila Holzman

Good morning. My name is Lila Holzman, and I want to thank you for the opportunity to present proposal number three, submitted by As You Sow on behalf of Amalgamated Bank. We applaud the Board for supporting this resolution.

The proposal request disclosure on whether General Electric will rise to the occasion and meet the criteria of the net 0 indicator as laid

out in the Climate Action 100+ net-zero company benchmark. Or if not, why not? The goal of limiting global average temperature rise to 1.5 degrees is embedded in the internationally agreed upon Paris climate agreement.

Meeting this 1.5-degree goal is critical to avoid catastrophic climate risk to the global economy, to GE, and to investors and their fiduciaries. It requires achieving net-zero emissions economy wide by mid-century. Investors in the financial sector generally are calling for enhanced disclosure and accelerated corporate action on the climate crisis.

The Climate Action 100+ initiative, a coalition of more than 500 investors with over \$54 trillion in assets, launched its net zero company benchmark to help investors assess and compare company progress on climate. The benchmark calls on the largest carbon emitting companies, including GE, to align its disclosures with specific metrics demonstrating that companies are transitioning their enterprises in alignment with the Paris goals. Indicator 1 is the net zero indicator. It seeks disclosure on whether GE has set an ambition to achieve net zero emission by 2050 or sooner and whether any such ambition explicitly includes scope 1, 2, and as importantly, scope 3 emissions.

Currently, GE has only set a goal for carbon neutrality for its operational emissions. Yet these account for a small fraction of GE's carbon footprint compared to its significant scope 3 product-based emissions. GE has a critical role to play in the clean energy transition. Yet it only recently announced an exit from coal after considerable losses. Multiple GE business units are still promoting the use of carbon-intensive fossil fuels like natural gas.

Shareowners concerned with preventing systemic risks associated with a warming planet, seek to understand if and how GE intends to reduce investment in fossil-based infrastructure, which locks in decades of emissions, and instead transitioned quickly to align its footprint with the Paris goals.

We commend the board for recommending shareholders vote in favor of this proposal. In supporting the resolution, we hope that GE will, in fact, align with the criteria of the net zero indicator, which calls for a commitment to net zero emissions by 2050 or sooner across all of GE's relevant scopes of emissions, including its product based emissions. We look forward to working with GE and the Climate Action 100+ initiative to address this vital issue. Thank you.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thank you, Ms. Holzman. The Board recommends a vote for this proposal to provide a report on the net zero indicator for the reasons we set forth on Page 67 of the proxy. We've also received a few questions related to climate change and the energy transition, and we'll address those during the general Q&A session that will follow.

So those are the management and shareholder proposals. If you'd like to ask a question about any of these, please enter them on the portal now. And please note, as I said before, there will be an opportunity for more general Q&A on matters that are unrelated to these proposals after the formal agenda items. We'll answer questions that do not directly relate to the proposals at that time.

We have received some questions in advance related to voting items in the proxy, and we'll address those here.

QUESTIONS AND ANSWERS

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

First, there were several questions related to executive compensation matters and the advisory vote to approve our named executives' pay. A number of shareholders asked why the board approved a compensation package change for CEO, Larry Culp, last year. There were also questions and comments about the CEO pay ratio disclosed in our proxy about whether the Board should reduce executive compensation as a way to reduce costs and about whether employee stock options were repriced. We've shared those questions with Tom Horton, our Lead Independent Director and Chair of the Board's Management Development and Compensation Committee. Tom is on the line with us today, and I'm going to turn it over to him now to address those questions.

Thomas W. Horton *General Electric Company - Lead Director*

Thanks, Mike. And I appreciate the opportunity to respond to those questions on behalf of the Board and the other independent directors. One of my responsibilities as lead director and part of the role that I enjoy is shareholder engagement. I've had a number of conversations during the past year directly with GE shareholders as have other members of the Board. And we've heard questions similar to the ones that Mike just mentioned.

Since I joined the Board in 2018, at the same time, Larry joined as a Director GE has been in the midst of a transformation to strengthen our businesses and the balance sheet, simplify the portfolio and return the company to sound footing so that GE's businesses can continue to play the critically important role that they do around the world. With the onset of the COVID-19 pandemic and the challenges that has posed, it became abundantly clear to us as the Board that GE's transformation would take longer than planned.

At our board discussions in 2020, we spent a lot of time on risk oversight related to COVID-19 and the effects it was having on GE. We also spent a lot of time on talent and leadership and making sure that we were continuing to strengthen and secure the GE team under Larry's leadership as CEO. One of the most important actions we took as a board, as described in the proxy and elsewhere, was extending the term of Larry's employment agreement so that GE would have his continued leadership through at least 2024. We also replaced the original 2018 share grant from when Larry first became CEO with a new onetime performance share grant, aligned with the extended term of the employment agreement.

Now on the specific questions, why did we change Larry's original compensation arrangement from 2018? The board believes it was in GE's best interest and that it was our responsibility as the board in the circumstances to secure Larry for a longer period of time so that he can continue driving GE's transformation. And the board believes he is the very best leader GE could have for this job. The performance thresholds in the grant reflect where GE's stock price was in August of last year, with significant uncertainty still related to the pandemic at that time. In our discussions as a board, we certainly considered the experience and disappointments that GE shareholders have had in recent years. We also weighed factors like those raised in the questions about the quantum of executive compensation, about how the grant to Larry might be viewed as a repricing and about what appropriate compensation actions for other employees would be. The way we viewed it as a Board was as an extension of Larry's leadership through at least 2024 with a corresponding change to the accompanying grant that keeps Larry's compensation overwhelmingly tied to GE's performance. The performance shares target a significant return to the shareholders that represents an increase in GE's market capitalization in the range of \$26 billion to \$78 billion. And so if the maximum number of shares are earned in 2024, it will mean that all GE shareholders have benefited.

In the conversations I've had with GE shareholders on this topic, there has been overwhelming support for Larry's continued leadership. And some investors last year had even encouraged us to take action to secure Larry for longer before we reach the agreement that we announced in August.

Where we have received more critical and pointed feedback is on some of the related compensation aspects. The Board understands that feedback and values the ongoing dialogue with our shareholders. No matter what the outcome of the vote today, the GE board is eager to continue to engage with shareholders over the coming year on executive compensation and on a number of other important topics.

With that, I thank you for the questions that have been submitted on this topic, and I will turn it back over to you, Mike.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Tom, thanks very much for joining us. Larry, we received several questions about the benefits of doing a reverse stock split. With people also asking why the board chose a ratio of 1-for-8 and whether the board considered share repurchases as an alternative or an accompaniment to a reverse stock split.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, let me take those. As you know, we have more details about the reverse stock split proposal in the proxy. But to put it simply, GE has almost 9 billion shares outstanding. Which is the highest number for companies of our size in the S&P 500. About 2/3 of the

companies approximately our size in the S&P 500 have less than 1 billion shares outstanding. We've undergone significant transformation over the years, but our share count doesn't yet reflect our journey to simplify and make GE a more focused company. A 1-for-8 reverse stock split would reduce our numbers of shares outstanding to closer to 1 billion, which would put us more in line with companies like ourselves, while keeping the value of our investors' holdings the same. If this proposal passes on the shareholder vote at today's meeting, the Board will have the authority to set a date for the reverse stock split during the next year. We'll update shareholders upon the Board's decision to move forward with the split and currently, our expectation would be to announce additional details next month.

On the part of the question about share repurchases, while that would be another way to reduce the outstanding share count, it would be the one -- it would be one that requires GE to deploy capital to buy shares back from holders. Share buybacks just haven't been a part of our capital allocation strategy in recent years.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. There are no additional questions on the management and shareholder proposals. As I said, we'll take other general questions later. Now I'm going to move on to balloting and the results of the voting. So let's turn to agenda item number three, balloting.

For any shareholders who are online and who have not yet voted, the polls are about to close. If you already submitted a vote, there's no need to enter it again. Any votes submitted during the meeting will be reflected in the final vote results, which we will report after this meeting.

This concludes the review of the matters to be voted on. And now the polls are closed.

I believe we have the Inspectors of Election on the line, and they're ready to announce the outcome of the voting. Let's go to the inspectors' report.

Michael Barbera of First Coast Results is on the line to present the report of the inspectors.

Mr. Barbera, do you have a report for us?

Michael Barbera

Mr. Chairman, the Inspectors of Election have completed an initial count of the votes cast at the meeting in person or by proxy. Proxies representing approximately 6,612,000,000 shares or 75.3% of the total shares eligible to vote were received. Other shares have been voted at this meeting by ballot or by proxy. On the basis of our initial count, the Inspectors of Election announce the following results.

All directors have received a majority of the votes cast and all nominees have been elected.

The advisory approval of our named executives' compensation, for is 42.3% of shares voted against 57.7%.

The ratification of Deloitte as independent auditor for 2021, for 99.2% of shares voted, against 0.8%.

Approval of reverse stock split and a reduction in our authorized stock and par value for 96.9% of shares voted, which is 62.1% of shares outstanding and against 3.1%.

The required nomination of at least 2 candidates for each board seat for is 3.0% of shares voted, against 97%.

Require the Chairman of the Board to be independent for is 29.8% of shares voted, against 70.2%.

Report on meeting the criteria of the net zero indicator for is 98% of shares voted, against 2%.

Mr. Chairman, this initial tally is subject to verification and the final tabulation may reflect small changes in the vote I have announced.

Final tabulation will be set forth in the formal report of the Inspectors of Election to the secretary of the company, which will be made after the count has been verified. This concludes our report.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thank you, Mr. Barbera.

With respect to the proposal to approve our named executive compensation, which did not pass, while we are disappointed in the preliminary results of the vote, we value and respect the views of our shareholders. The Board will take those views into consideration as we evaluate our executive compensation program, and we look forward to engaging in further dialogue with shareholders throughout the year.

That concludes the formal portion of the meeting.

Now we're going to turn to agenda item #5 and proceed to answer questions that have been submitted in accordance with the rules of conduct.

As we noted earlier, we solicited questions from shareholders in advance of the meeting, and many of you have responded. We're also receiving questions live during today's meeting. I'll read the questions for Larry to answer, and we'll address as many as we have time for this morning. And I'll do my best to pronounce people's names correctly. Please forgive me if I mispronounce your name.

First up, Larry, shareholder, Michael Pullon, wrote, "investment in technology can position a company for future success. What technologies excite GE's management team and how will these technologies make GE stronger in the future?"

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Michael, you're exactly right. And I think those of us here believe that we've led for 129 years, largely by leading in technology. But yours is a tough question to answer, frankly, because there's so much going on at GE to be excited about right now. It's hard for me to just pick 1 or 2.

We're obviously investing aggressively in innovation and technology side-by-side with our customers to lead our industries into the future. A couple of examples I would point out, in Renewable Energy, Haliade-X, I mentioned that earlier, is the most powerful Offshore Wind turbine built today. At Gas Power, our 9HA turbine, the world's largest and most efficient gas turbine. Over in Aviation, you've heard us talk about the GE9X engine, which will be the most fuel-efficient jet engine we've ever produced. In Healthcare, it's really more of a parade of new products. Just look at the latest point-of-care ultrasound products, the Vscan Air and Venue Fit. These are truly innovative solutions for clinicians, who need fast, reliable insights when they're with patients. And all of that's happening in the businesses at the same time, the team of the GRC is doing their outstanding work to support the businesses and our customers. One example out of the GRC that I'm excited about is our superconducting generator for wind turbines to boost efficiency and help lower overall energy costs. We've also got a group of researchers using powerful supercomputers to improve wind farm design, increase the reliability of the electrical grid and make gas turbines more efficient. So there's a lot going on, but hopefully, that gives you a sense of the technologies we're looking at across the company right now. That has us energized, if I may, about the future.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. Several shareholders have asked about GE's performance and transformation efforts. And there's a number of questions along the lines of why is GE not doing better in the stock market? One shareholder, Julie Koblin, asks "what plans are in place to strengthen the growth of GE going forward?"

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, thanks for those questions. I think our view is that the stock market measures the day-to-day. At the same time, the team and I are focused on GE over the long-term. We're in the midst, as we've said many times, of a multiyear transition at GE. It is a game of inches and a transformation like the one we've undertaken doesn't happen overnight. But our daily focus is on continuing to strengthen the businesses, deliver for customers and drive profitable growth and value for all shareholders over the long-term.

And I have to say, I'm genuinely proud of the progress the GE team is making in this regard. Despite the challenges of COVID, the financial position of the company has improved, we ended last year with roughly \$37 billion in total cash. Over the last 2 years, we've reduced debt by \$30 million and continue to de-risk and actively manage long-term liabilities like our pension and runoff insurance operations.

But most importantly, we're strengthening the industrial businesses, building on, again, an outstanding team, improving our operational execution and optimizing our cost structure. Since joining the company 3 years ago as a Director, 2.5 years roughly as CEO. One of my top priorities has been instilling greater focus throughout the organization.

As we're building a world that works, we're also creating a more sustainable future with innovative technology that positions us to lead in the energy transition, drive more integrated and personalized healthcare and enable smarter and more efficient flight.

We have real operational and cultural changes underway at GE. So there are many steps, big and small happening across the company right now. And I do think we're gaining momentum. I saw this last week with our Gas Power team in Atlanta. I saw it last week at our engine facility in Durham, North Carolina, our aircraft engine facility there.

So rest assured, the team is focused on growth, profit, and cash generation, and there's a lot to be excited about GE right now. And I'm confident that over time, our drive for value will be recognized by all.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. Let me ask another one that a few different shareholders have asked about and that is -- we've got some questions about divesting the lines of business and whether we have plans for breaking up GE into 2 or more than 2 parts to raise capital to meet debt and liquidity needs.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, Mike, we've taken, as you know, significant steps here to focus the portfolio on our core 4 industrial businesses, Power, Renewables, Aviation, and Healthcare. And I think we're making real progress transforming GE toward being that more focused, simpler, stronger industrial company we all aspire for our company to be.

I think we've always considered structural moves and we'll continue to consider structural moves that make GE stronger. But I come back to the earlier question, our leading technologies and our strong service capabilities across the installed base are what really set us apart. And the opportunity in front of us is to continue driving improvements in growth in the businesses that we have today. I also want to reiterate how much progress we have made to improve our financial position over the last couple of years. Our liquidity is strong, and we have ample additional liquidity sources for future deleveraging actions. So as we look ahead, we're better positioned to serve the needs of our customers in the world with the leading positions across the GE portfolio that we enjoy today.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. I'll ask another one now that a few shareholders wrote in about it, and then maybe I'll take one off of -- that's come in live here today. So Larry, a few different shareholders asked, what are the plans and timing to begin increasing our dividends?

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, to answer that directly, we have no plans at this time to raise the dividend. Again, we're intently focused on a multi-year transformation, deleveraging the company and delivering profitable growth and value for the long haul. We need to continue to make structural improvements to build a stronger GE before we can increase the dividend.

But in time, we hope it'll be back in a position where we can pay a dividend in line with peers, just not now.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. And just before I go to the question we just received, we've received some written statements from retiree shareholders. I'll read one that we received from retiree Melody Jackson.

Melody wrote, good day to all. It's definitely been a challenging year for all of us. Being able to communicate has been a challenge, not only with our biological family, but with our GE family as well. I'd like to thank the GE Voices team that presents to employees and retirees what's happening with GE will not only business but also with investments for medical improvements that affects us all in our everyday life. I know as I went through breast cancer last year, I saw the GE logo on the equipment in the cancer facility. And felt pride in what that represented to me.

Our personal family and GE family has worked from home for over a year. Communication from the GE people operations has been challenging and successful with the help of benefit advocates for retirees. When a change is forthcoming, we were informed and knew what to expect when questions were asked by other retirees. Communication by over 10 Facebook websites of hourly and salary participants has also helped. The open 2-way communications were published for all at no cost.

We have identified the transition from GE medical insurance to Medicare is traveling into an unknown area. Let me try that again, sorry. We have identified the transition from GE medical insurance to Medicare is traveling into an unknown area. Upon retirement, we found that plants and union halls closed, and we were on our own. We make available resources such as Via benefits, state SHIP, personal insurance brokers for homes, and all good sources to compare prices and policies. It's amazing how many retirees have stepped up to help other retirees as they sign up for social security and Medicare. Learning ways to reduce prescription costs outside insurance in order to survive the high cost has been a major help, and educating retirees on onehr.ge.com, realizing a great wealth of information is available to help working and retired employees.

We need to look forward and can't change the past. I used to look back when my grandfathers and dad work at GE and was amazed at the changes. Now I find my children and grandchildren, looking back at my times at GE, and they see many changes in their world. GE is for ever-changing and needs new visions and talents to stay current and competitive. Yes, we felt impact from some of these changes, but most are still receiving pensions, have a roof over our heads and food on the table. No one ever said life was going to be easy, and we are living proof, it can be done. I personally feel GE has turned the corner and will also remember the employees that help make this possible. Larry, that's the statement.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Melody, thank you. Thanks for sharing those very personal thoughts with us. First of all, I'm obviously very sorry to hear about your diagnosis, and I think I speak for the entire GE family when I say our thoughts and prayers are with you for a very strong recovery. I think we're heartened that you find some comfort in seeing that GE logo on the equipment at the doctor's office.

Melody, you mentioned something in your remarks that really resonated with me about the turnaround, which obviously is very much work in progress. And remembering the employees that help make it possible. I couldn't agree more. You and our other retirees are part of that as well. Your comments reminded me of my first annual meeting hard to believe just 3 years ago when I was joining the Board before becoming CEO.

I remember talking to a number of retirees at that meeting and hearing not only the frustration in their voices about the company's performance at the time, but also their deep heart felt pride in the company. This is a multi-year journey that we're on, and I'm a big believer in continuous improvement. And again, I'm just humbled by our collective accomplishment. Rest assured, the GE team and I are deeply committed to strengthening these businesses. And delivering long-term value for all of our shareholders, so you and others will continue to feel that pride in our company.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. I'm going to take one that's come in here during the course of the meeting, which is, Larry, what do you consider the most significant metric you monitor on your corporate dashboard?

H. Lawrence Culp *General Electric Company - Chairman & CEO*

The most significant on the dashboard, Mike, that's easy. That's -- that's going to be quality -- excuse me, that's going to be safety, right? I mean I think I go back in my Lean training, right, SQDC safety, quality, delivery, cost in that order. It's not an acronym. It's a priority set.

So as you know, we've had, I think, momentum building here by just making sure that we start every one of our operating reviews, talking about safety. We kicked off our CEO call just yesterday with one of our CEOs sharing a safety update.

So we've got to make sure that we're taking care of the entire team that's been paramount importance, obviously, with COVID. But remember, our factories really didn't shut down during the pandemic. Much, if not all of what we do was deemed essential, not to mention the work that we were doing in the field across the entire company. So making sure that we get everybody home safely at the end of a long day's work is priority one, and we're trying to operationalize that, Mike, as you well know, in every way possible.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. And similar to prior years, although not in person this year, unfortunately, we've received questions from some of our retiree shareholders. We've got questions from Wallace Landmesser and Douglas Abrams asking whether there is a plan to provide a cost of living adjustment for retiree pensions.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, on that question, as I think I've said before, we're focused on a multi-year transformation, the deleveraging and delivering profitable growth over time. And at this point, we don't currently have plans to increase payments to retirees.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. Maybe let's take one more from another one of our retirees and an annual meeting regular when we're in person, Kevin Mahar. Kevin shared the following statement, which I'll read.

Good morning, share owners. My name is Kevin D. Mahar from Lynn Mass. This is my 27th consecutive year attending General Electric's annual meeting as an advocate for GE retirees.

Of course, last year and this year, it is done virtually. Usually, I have many hundreds of retirees attend as well. But the pandemic has changed all that. Our company, GE, started in Lynn Mass and Schenectady, New York on April 15, 1892, when Thomas Houston -- Thomas Houston Electric in Lynn Mass merged with Edison Electric in Schenectady, New York. Charles A. Coffin was the first president that elected -- excuse me, that brought Elihu Thompson, and Thomas Alva Edison together.

Coffin was a shoe manufacturer from Lynn. One of the first electric cars was made in 1897. He adds -- we have pictures. And the first jet engine made in the U.S. was made in Lynn and the Gemini fuel cells were made in Lynn as well as propulsion systems for the Navy's ships and submarines.

There is now a campaign to bring American jobs back to Lynn, and Schenectady as both plants have been drastically reduced in size. The theme in both plants is love us don't leave us. That's Kevin's statement.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Kevin, thanks for joining us. It's always a pleasure to see you, particularly when you have that Red Sox cap on and as a fellow fan, it's May, and we're in first place in the AL East. So another reason it's a good day in Massachusetts.

Kevin, certainly appreciate you sharing your views on the importance of Lynn and Schenectady both with respectable legacy of GE and to the future of the company. Rest assured, we'll continue to take those views into consideration as we work on balancing the needs of all of our stakeholders here, customers, shareholders, employees and retirees.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Okay. Larry, as I mentioned earlier, we got quite a number of questions about our energy transition and the climate. And shareholder Paul Thomas asks, how is GE supporting the initiative to move America away from fossil fuels and toward Renewable Energy. Several other shareholders also asked about specific technologies or potential opportunities related to the energy transitioning -- transition, mentioning things such as hydrogen, fuel cell technology, batteries, and electric charging stations.

Maybe I'll bundle those together and let you take that topic.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, a lot there to unpack. But net-net, I think we start with the view that the energy transition is a glove fit with our purpose. Building a world that works and who better than General Electric to lead in this regard.

As many shareholders, I believe, know, GE generates 1/3 of the world's electricity today. We equip 90% of utilities worldwide, and we manage 40% of the world's energy with our software. So we do have an important role to play in the energy transition. I think we are the view that people deserve access to sustainable, affordable and reliable electricity, the so-called trilemma. It's just critical to reduce poverty and hunger and promote access to education and healthcare. So as part of the global effort to decarbonize continues to reshape how energy is produced and consumed, we're at the center, right? Thanks to our technology, our operations, and certainly our people. Our Renewables and Power businesses sit at the heart of the energy transition, for sure. In Renewables, we held the #1 position in North America, Onshore Wind 2 years running, and this is the fastest-growing source of new power generation capacity. In Gas Power, we believe we're playing a vital complementary role in decarbonizing at scale as customers shift from gas -- excuse me, from coal to gas, and we have been deepening our focus on solutions like hydrogen and carbon capture they can decarbonize gas over time. We see a lot of opportunities for the ongoing innovation that GE can provide as we work with our customers to make that ambition of net zero a reality. Going beyond wind and gas, we have expertise and technology across the physical and digital grid that will play an important role with growth in electricity generation from Renewables. We also see a role for solutions like advanced nuclear technology, which we have as part of our power portfolio business. So in short, there are a lot of opportunities here and potential breakthroughs required that we're keeping a very keen eye on as we look for GE to remain central and to lead the energy transition for years to come.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. We also got a few questions about the Renewable Energy business. Nick Rykhoff asked whether renewables will "always be a highly competitive, low-margin business." And another shareholder asked, when do we expect Renewable Energy to become profitable? And what further measures and action will be taken to achieve that?

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, I would start first with the -- just reminding everybody that we have one of the broadest portfolios in the renewables industry. Our segment is well positioned in that regard. At the outlook meeting we had with investors back in March, we talked about better segment margins this year compared to last year and positive margins for the segment in 2022. Again, we're #1 in North America Onshore Wind, and this is one of the fastest-growing sources of new power generation, as I mentioned earlier, that sets us up well to drive better margins. Our Offshore Wind business which has really been an investment today, diluting those margins, has received full certification for the Haliade-X, the world's most powerful Offshore Wind turbine built today.

That should be a \$3 billion business for us by 2023, a profitable one. And our Grid Solutions and Hydro businesses are delivering with better deal selectivity, better cost reduction progress, and better project execution. I think I mentioned earlier, backlog in renewables is over \$30 billion. With better margins as of the end of last year. But clearly, as the question suggests we've got work to do here. And the team is focused on that work. Rest assured, we talk about it at every turn. But there are a number of areas of opportunity, not only to improve margins and cash, but to recognize the role renewables can play in the energy transition. So we're targeting a number of profitable international growth opportunities, particularly with respect to our Offshore Wind commitment backlog we want to drive better service penetration, which will improve our mix. There's a host of opportunities to deploy digital in that regard, which will help serve customers and investors alike. And again, we will continue to drive our cost productivity programs relentlessly.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. And so you don't think I'm only taking shareholder questions with easy names. We've gotten one on Director compensation and stock ownership from Edward von der Linde. And Edward asks, why don't all of the directors directly own shares in GE.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Most of our Director compensation is in the form of deferred stock units. And the stock units are held in an account. And the directors, in effect, don't receive the stock units until the year after, they retired from the board, which we believe helps align directors' interests with the long-term interest of shareholders. Directors may, of course, choose to purchase additional shares with their own money, but that's a personal decision.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

A couple of follow-on up, Larry, a couple of shareholders also ask whether there have been increases to director compensation and about tying their bonuses to increases in dividends or performance.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, we disclose Director compensation and the overall program construct in the proxy each year. Our board members do not receive bonuses and have not received a pay increase since 2016. And as I mentioned, most of our Director compensation is in the form of stock units. So like all shareholders, they benefit when the stock price goes up.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Okay. Let me -- I'm going to pivot here, Larry. We've gotten some questions around social responsibility and political topics on the like. So first, we received some questions related to corporate social responsibility. Asking about how GE thinks about whether, when or how the company should support different political or social movements.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, I would say that our primary focus is on running the company as best as we are able. To that end, we lend our voice to support efforts that advance our industry and society, and they are aligned to our values. Sometimes, there's a clear right and wrong. More often, however, and political and public policy matters, there's significant nuance. As we've seen clearly opposing sides differ on how to solve problems. And too often, those disagreements ascribe motives to the other side that fuels polarization as opposed to problem solving.

We don't rule out in certain circumstances, taking an active public role on social issues. But again, our focus is on the issues core to our businesses and where we can help drive meaningful change. When we do weigh in on issues, we believe we can be most effective by working directly with policymakers.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. And a specific one here from shareholder, Charles Bruce. He asked whether -- he asked whether GE "will condemn efforts to make federal and state election voting more difficult for anyone in America."

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Charles, GE is not going to weigh in on every piece of elections legislation being considered in our 50 states. But what I will state is our position on voting rights. The right to vote is a core tenet of American Democracy. People died to secure that right for us. And GE believes all elections must be accessible, fair, secure, and transparent, and Americans deserve to have confidence in the election process.

So we'll use our hard-earned credibility to work for change in our own way, both as a company and as individuals. And that will continue to be our focus.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. We also received a question or two about how we're evaluating and evolving our management training and our development programs, including in our Crotonville facility as well as across the company more broadly.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, perhaps next to safety and quality, nothing's higher on the agenda than making sure that we continue to develop an outstanding leadership team here at GE. As I mentioned, I've been a lifelong student of Lean and learning is a top priority for me personally. And again, at the top of the agenda here for us across the company.

I think where we are today is we are leading GE toward a more diversified approach to management and leadership where the vast majority of development will come from what our leaders can learn on the job, such as through Lean action workouts, Kaizen events, and operating reviews in places like Durham, Pensacola, and Greenville. We've already substantially changed what we offer and how often it is offered. And we've redesigned our enterprise-wide learning programs to help employees gain critical new skills rooted in this operational and cultural transformation.

And we'll continue to optimize that to best teach our leaders the way we want them to lead GE in the future.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. We've gotten some questions from shareholders about our headcount reductions last year, and in some cases, consolidation of work to different sites. And there were questions as to whether GE plans to rehire once the market recovers and whether last year's job actions impact our products due to loss of talent and expertise. So it's a bundle of questions there, Larry.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Right, right. Well, I think it's important to just step back and look at last year. At the time, we were navigating two things simultaneously: the transformation of our company, which continues today, and COVID-19 hitting some of our businesses in just an unprecedented way, particularly in Aviation. So I think we worked hard to strike a balance between what is right for customers, employees, and shareholders. No doubt, this meant taking some tough actions to ensure the strength of the company given the tremendous uncertainty that we were working our way through. We didn't take those decisions lightly and understand they have real impact on the business and on individuals and families.

I would say as we look forward, it's important that our businesses continue to match market demand and ensure we continue delivering for our customers. So as I visit with the teams across the businesses, I'm proud of the talent and expertise we have at the company today. I think we're well positioned to lead, again, in the energy transition, precision health, the future flight, and that's because of the team we have in place, the talent and the technology that we provide every day at GE.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. As we have over the last couple of years of meetings, there were a few questions about whether GE is considering pursuing compensation clawbacks against the prior management team?

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, with respect to clawbacks, the GE Board and management have thoroughly reviewed the issues raised in the SEC investigation that we settled late last year, and in a number of shareholder lawsuits that date back several years at this point. As I've said previously, clawbacks would come into play in a case of serious misconduct as opposed to business decisions that did not go as anticipated. We've now had a thorough review led by a special committee of our Board working with outside independent counsel, and the Board concluded that the company has no sound legal basis to seek clawbacks or pursue litigation.

Under the current leadership team, we have significantly enhanced our disclosures and controls. GE is a stronger company today, and the Board and I are looking to the future rather than the past.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. This is a fairly specific one. We got a question from a shareholder that says, did GE receive any government funds during the COVID-19 crisis? If yes, how much, what type of funding was used and when will it be repaid?

H. Lawrence Culp *General Electric Company - Chairman & CEO*

We didn't seek any specific funding from the U.S. government under any of the COVID programs that began last year. We did qualify for broadly applicable benefits under the CARES Act that allowed employers to defer the payment of social security taxes and we previously disclosed that we deferred about \$300 million under that provision as of the end of 2020. So there is no funding that GE would need to repay.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Great. Thanks. Thanks, Larry. We've also got some questions or a question about the U.S.-China dynamics and how GE will "conduct business in and with China now and in the future?"

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Mike, that's an incredibly important question. China is an important market for GE and U.S. businesses generally. At GE, it's our largest market outside the U.S. and we have valued customers and employees there. Clearly, the U.S. has raised serious issues with China. And our hope is that policymakers in both countries can engage in constructive 2-way dialogue and identify a path forward to address these issues. We believe that that would be a benefit to the U.S. economy, to U.S. workers, and U.S. businesses, including GE.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. I'm keeping an eye here on live questions coming in at the same time. Let me take one of the pre-submitted questions, and then I'll pivot back over to take another live question. We got a pre-submitted question that says, "what diversity, equity, and inclusion measures are being implemented to ensure equitable opportunities for employees?" There's a couple of questions about how we approach recruiting diverse directors for the GE Board as well, which maybe you can take those together, Larry.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Let me do that, Mike. And thank you for those questions, they've gotten a lot of attention over the last year inside the company for sure.

We've been taking a number of steps over the last year to drive what I would call meaningful change on diversity and inclusion, starting with our leadership. One of the first things that we did was to appoint a Chief Diversity Officer, Mike Barber, who reports directly to me as well as chief diversity officers within each business. Mike was the gentleman surrounded by young people in the video, which was a great picture of Mike probably taken just a few years ago. But he's done a terrific job leading our inclusion and diversity strategy for the company and focuses on driving leadership accountability on the subject and related metrics. We look at diversity in each of our businesses operating reviews, and we're really looking to make progress through, frankly, problem solving, very much with a Lean mindset as opposed to just saying things that make us feel better, but don't change necessarily our underlying trajectory.

Like many companies, we've got more work to do here, but I do think the changes that Mike, and our CDOs are making are helping to accelerate the progress. And continuous improvement starts with looking at the data, and many of you will have seen our recently released diversity annual report which we believe is a good first step in transparently sharing where we stand.

At the Board level, we're tremendously proud of the GE Board's diversity. Over the past 3 years, we've undertaken significant Board refreshment efforts. And in doing what -- and in doing that, we have sought directors with complementary backgrounds to bring fresh perspectives, diversity of thought and the right experience to serve on the GE Board at this time.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thank you, Larry. And consistent with your discussion earlier about safety being a top priority. We've gotten some questions that have come in live here today about how we're thinking about bringing employees on a return to work, those that are working from home, as well as questions about employee vaccines.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, a lot there as well, Mike. And thinking about it is, I think the proper way to frame it, this is a fluid topic that we're working our way through as so many other companies are. I would just say as a first principle. Again, safety is our #1 priority. I think we've highlighted through the course of the meeting, thus far, what we all know to be true, we operate in mission-critical industries and have throughout

the pandemic, and that's required the majority of our manufacturing facilities to have remained open and running throughout this period to do what we do and to serve our customers.

In the course of making sure those facilities were up and operating, we instituted rigorous health and safety protocols. And we're taking, I think, what is a measured approach as to when and how we would increase site occupancy and bring more people back to the office and to do so safely. I think we're of the view, maybe this is a function of just GE size and scope, that there's no one size fits all model here that would apply equally given our global footprint and then frankly, local rules and regulations.

I'm a firm believer that a good number of our team members want to return to some form of the office when they feel safe to do so, and I'm looking forward to when that time comes. Again, I was in Atlanta last week with one business. I was in North Carolina with another. It was just good to be socially distant, appropriately safe with the team. It's just a different, better work experience.

On vaccinations, I think our primary focus today is on education, making sure our employees understand the benefits of the vaccines. And we think we're making some real progress in that regard.

We have no plans at the current time to make vaccines mandatory. We've got folks around the world. And with very -- degrees of vaccine availability, unfortunately, let alone differing laws, a GE wide vaccine mandate wouldn't really be practical. But that said, if governments, certain governments where customers make vaccines mandatory, we would, in turn, comply with those requirements.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry, for taking those together. Similar, I've gotten a few questions here that have just come in live about the Aviation business. Let me pull a couple of these together here. Michael Marigliano asks "will GE remain a major manufacturer of jet engines." And we've got one from another shareholder who asks whether GE is advancing the use of hydrogen as a fuel in our jet engines in order to reduce the carbon footprint of those engines.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, Mike, to Michael's first question, I think the answer is as simple as yes, exclamation mark. Aviation is a key part of the GE Industrial portfolio going forward. And when we talk about leading the future of flight, this is just core to the strategy of our Aviation business. With respect to Hydrogen, it's important, I think as you look back over time and how and why GE Aviation has led the industry really for generations.

It's largely been on the back of new technologies, new platforms, which have driven greater fuel efficiency. I mean that's really defined our technological leadership at Aviation over time. I think you've seen Aviation -- GE Aviation embrace, the Aviation industry's aggressive goals of cutting carbon emissions by half by 2050.

Hitting that target certainly will require innovation in advanced technology, let alone operational efficiency, and there's a lot of talk about the use of sustainable Aviation fuels in that regard. Further into the future. Clearly, we are investing to make sure that we continue to lead, be it around innovations like liquid hydrogen, for example, where we can draw on some of our experiences elsewhere in GE, particularly in GE Power. We've got more than 6 million hours today of operating experience at Power using hydrogen blended fuels in our gas turbines. So there's a lot of capability in-house, certainly a strong intent as we move forward.

That as hydrogen becomes part of the energy transition solution set, you'll see us more than actively engaged at Aviation and again, in Power as well.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. I'm mindful of the time, and I want to thank our shareholders and everyone who's joined for staying with us for an extended meeting. And I'm also looking through the questions that have come in here. And I think we should -- I've got one more here, I'd like to cover before we wrap up.

And that's from one of our shareholders, Carolyn Eberhard. She wrote "we grew up in the shadow of GE in Schenectady, New York and

benefited from GE's initiative and running a series of science talks for promising students. What programs does GE currently run or plan to run to encourage teams, especially girls to explore science?"

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Carolyn, thank you for that question. As a parent and someone who values the importance of education your question is of keen interest to me.

I was really quite taken a month ago or last month rather, when we announced that the GE Foundation is committing funds to create what we're calling the Next Engineers' program, which will be a global college readiness initiative to increase diversity of young people who are interested in engineering. This is a program that will focus on underrepresented students in the 13 to 18 age range. We'll provide hands on exposure to engineering concepts and careers and ultimately award scholarships to pursue engineering degrees. The first phase of the program will start later this year. And over the next decade, our goal is to reach more than 85,000 students in approximately 25 cities around the world. Clearly, the hope here is that this is a program that will inspire the next generation of engineers, many of whom, I hope, end up at GE.

Michael J. Holston *General Electric Company - Senior VP, General Counsel & Secretary*

Thanks, Larry. And thanks for taking these questions. That's what we have time for here today. There's a few remaining questions on topics that we haven't addressed during the meeting, and we will follow up with responses to those on our Investor Relations website, as was described in the meeting rules of conduct. With that, Larry, I'll turn it back over to you to take us out.

H. Lawrence Culp *General Electric Company - Chairman & CEO*

Well, Mike, a long set of questions there, but really appreciate everybody taking the time ahead of the meeting and here during the meeting to share your thoughts and questions with us, let alone, staying with us for the hour and a half. The Board and I remain dedicated to working to protect and grow your investment in GE, and we thank you for your confidence in us. And speaking personally, it's a privilege to serve as your Chairman and CEO, and I do thank you for your support.

Operator

This now concludes the meeting. Thank you for joining and have a pleasant day.

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