

Sustainable Growth

GE 2010 Citizenship Report | www.gecitizenship.com

Challenges

ENERGY AND CLIMATE

FINANCIAL VOLATILITY

STRUGGLING CITIES

RESOURCE DEPLETION

CONFLICT AND CORRUPTION

WATER SCARCITY

SKILLS GAP

CHRONIC DISEASE

UNEVEN ECONOMIC DEVELOPMENT



IMPROVING EDUCATION

PRODUCT LIFE CYCLE

RESPONSIBLE INVESTMENT

REUSE AND DESALINATION

CITY PARTNERSHIPS

ENERGY INNOVATION

PRODUCTIVITY AND COMPETITIVENESS

HUMAN RIGHTS AND RULE OF LAW

AFFORDABLE HEALTHCARE

Value

GE AROUND THE WORLD*

GE (NYSE: GE) is an advanced technology, services and finance company taking on the world's toughest challenges. Dedicated to innovation in energy, health, transportation and infrastructure, GE operates in more than 100 countries and employs about 300,000 people worldwide.



GE World Totals: \$150.2 billion 287,000 employees**

* These numbers reflect operations of fiscal year 2010, which ended 12/31/2010.

** Includes \$3.8 billion from "other Global" areas.

GE BUSINESSES*

TECHNOLOGY INFRASTRUCTURE

Around the world, GE is helping to build the healthcare, transportation and technology infrastructure of the new century. Many of GE's fastest-growing businesses are in the Technology Infrastructure segment.

PRODUCTS INCLUDE:

- Aviation jet engines
- Equipment and service for all categories of commercial and military aircraft
- Healthcare products such as MRIs, X-rays and ultrasounds
- Patient monitoring, healthcare information technologies and medical diagnostics
- Locomotives, gearing technology for wind turbines and stationary power generation
- Inspection equipment, security and life safety technologies

REVENUE (in \$ billions)



PROFIT (in \$ billions)



ENERGY INFRASTRUCTURE

The Energy Infrastructure segment is leading the field in the development, implementation and improvement of the products and technologies that harness our resources, such as wind, oil, sun, gas and water.

PRODUCTS INCLUDE:

- Gas, steam and aeroderivative turbines
- Combined cycle systems
- Renewable energy solutions, including wind turbines and solar technology
- Water purification equipment, mobile treatment systems and desalination processes
- Advanced technology equipment and services for all segments of the oil and gas industry

REVENUE (in \$ billions)



PROFIT (in \$ billions)



HOME & BUSINESS SOLUTIONS

From the familiar light bulb to the latest advancements in consumer technology, GE Consumer & Industrial has a long tradition of innovations that have improved the quality of life for millions of people everywhere.

PRODUCTS INCLUDE:

- Major appliances such as refrigerators, freezers, electric and gas ranges, clothes washers and dryers, and microwave ovens
- Lamps and lighting fixtures
- Electrical equipment and control products

REVENUE (in \$ billions)



PROFIT (in \$ billions)



FINANCE

GE Capital offers a broad array of products and services aimed at enabling commercial businesses and consumers worldwide to achieve their dreams. Services include commercial loans, operating leases, fleet management, credit cards, personal loans and other financial services.

PRODUCTS INCLUDE:

- Loans, leases and other financial services to customers for a variety of equipment and major capital assets in industries such as construction, aviation, transportation, media, energy and healthcare
- Real estate financing for commercial and industrial properties
- Private-label credit cards, auto and home equity loans

REVENUE (in \$ billions)



PROFIT (in \$ billions)



MEDIA & ENTERTAINMENT**

NBC Universal is one of the world's leading media and entertainment companies. It develops, produces and markets film, television, news, sports and special events to a huge global audience.

PRODUCTS INCLUDE:

- U.S. network television
- Production and distribution of film and television programming
- Operation of theme parks
- Investment activity in digital media and the Internet

REVENUE (in \$ billions)



PROFIT (in \$ billions)



NOTES

*Effective January 1, 2010, GE reorganized its segments to better align the Consumer & Industrial and Energy businesses for growth. Results for 2009 and prior periods are reported on the basis under which GE managed the business in 2009 and do not reflect the January 2010 reorganization described above.

A more complete list of products per business can be found in the 2009 GE Annual Report (pages 111-112).

**On January 28, 2011, we transferred the assets of the NBCU business and Comcast transferred certain of its assets to a newly formed entity, NBC Universal LLC (NBCU LLC). In connection with the transaction, we received \$6,197 million in cash from Comcast and a 49% interest in NBCU LLC. Comcast holds the remaining 51% interest in NBCU LLC. We will account for our investment in NBCU LLC under the equity method. As a result of the transaction, we expect to recognize a small after-tax gain in the first quarter of 2011.

Due to this transaction, Media & Entertainment is not included in the priority areas by business on pages 20-21.

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WEB SITE LINKS KEY



FEATURES: longer, deep-dive articles about GE citizenship challenges and opportunities



PERSPECTIVES: written contributions from employees, customers and external experts



ACTION POINTS: supportive articles that exemplify key themes

ABOUT THIS REPORT

GE's approach to citizenship is a full-time commitment with the same goals, strategies and accountabilities that drive business. Our annual Citizenship Report complements our Annual Report, as well as the reports on our ecomagination and healthymagination strategies.

In this year's report we have sought not only to respond to stakeholders who want to know what GE is doing on particular issues, but also to demonstrate to our employees, shareowners, business partners and others in society how helping to solve global challenges is core to GE's sustainable growth strategy.

The report traces the source of GE's long-term value creation, starting with how we understand global challenges, to our strategy to respond to them as a business—in particular in the areas of energy and climate and sustainable healthcare—to the processes, actions, commitments and metrics by which we manage and demonstrate performance and risk. It ends with an essay discussing how these impacts translate into financial performance.

Each year, as our approach to corporate citizenship evolves, we aim to determine and clarify the scope of GE's material impacts. Our citizenship and reporting priorities are informed by broad engagement with stakeholders across the GE businesses and the communities where we work. This year we have taken a 10-year retrospective, drawing on perspectives from our expert advisory panel and other thought leaders. These external perspectives are complemented by the perspectives of GE CEO Jeff Immelt, Board Member Sam Nunn, Senior Vice President and General Counsel Brackett Denniston, Vice President of Corporate Citizenship Bob Corcoran and CEO of GE India John Flannery.

A 52-page report, however, can only provide a high-level summary and introduction to the issues that GE faces, our principles, strategy and performance. Our Citizenship Web site at www.gecitizenship.com gives a fuller picture—it includes performance data, stakeholder perspectives, case studies and country fact sheets, which provide further detail on how our citizenship priorities are put into practice around the world. The site is more interactive than ever before and we will continue to update this information throughout the year, to support our ongoing discussion with stakeholders.

To assist in navigating the Web site, this report highlights links to relevant additional information on the Web site, including case studies, interviews and videos on key challenges, dilemmas and opportunities. We also include interviews and articles by employees, customers and external experts. These perspectives are unedited by GE.

This report is produced for the benefit of all stakeholders, including GE employees—the people whose actions define GE every day. We hope that readers will make use of the information and perspectives, and see them as an invitation to further dialogue with GE. We will continue to engage in these constructive discussions and seek to adapt and develop solutions based on what we learn in order to contribute to, and succeed in, sustainable growth and value creation.

SCOPE OF REPORT

This report, published in July 2011, covers GE's worldwide operations for the 2010 fiscal year, unless otherwise stated. Our last report was released in July 2010. This is GE's seventh citizenship report. Reports for previous years are available at www.gecitizenship.com/reporting/past-reports.

Corporate citizenship for GE is not just about “giving back” but about enabling positive changes around the world. Being part of the fabric of self-confident societies is what allows us to grow our business sustainably.

GE businesses depend on the infrastructure, skills and institutions of stable, prosperous societies and healthy environments. To succeed as a global business, we need to be a part of building these societies where we operate. We do this through the products and services we create, the way we work with employees, customers, suppliers and investors, the public policies we advocate and the philanthropic partnerships we support.

REPORTING PRINCIPLES & FRAMEWORK

- INCLUSIVENESS Issues raised by stakeholders
- SUSTAINABILITY CONTEXT Global social and environmental challenges
- COMPLETENESS GE's worldwide operations and five businesses
- RESPONSIVENESS GE's response to stakeholder feedback as part of ongoing engagement strategy



CHALLENGES

ENERGY AND CLIMATE

Yesterday's energy and transport systems present countries with challenges and risks relating to national security and the environment, and many people around the world lack access to modern energy supplies. Over the next 40 years, global energy demand will double, with significant challenges as well.

WATER SCARCITY

Unlike fossil fuel-based energy, there are no substitutes or alternatives for water. But already around a quarter of the world's population lives in areas of current or developing water scarcity. Another quarter lack access to the infrastructure needed to get clean, affordable water to their homes. If current rates of freshwater use continue, more than two thirds of people will not have sufficient access to clean water by the year 2025.

RESOURCE DEPLETION

The limits of the planet's natural resources are already stretched. Continuation of today's level of consumption of exhaustible resources is unsustainable for business, society and the environment. The result is increasing commodity prices and supply constraints.



VALUE

ENERGY INNOVATION

GE's power-generation equipment produces energy from diverse sources: coal, nuclear, gas, hydro-electric, wind, biogas and solar. There are significant opportunities to improve energy systems. Wind and solar can become affordable and mainstream, gas can become even more efficient, and carbon dioxide can be captured from burning gasified coal. Smart grid and energy-efficient appliances and buildings can reduce energy use by half.

REUSE AND DESALINATION

Membrane filters turn wastewater and sea water into reliable, sustainable, clean water. However, these technologies cannot be deployed in sufficient quantities as long as withdrawing water from a river or a well is less expensive than conserving or reusing it. GE is engaged in public policy dialogue to reform regulations so that supplies can be brought into the market.

PRODUCT LIFE CYCLE

GE is increasingly working to enable its customers to save natural resources through innovative design, recycling and renovation of equipment, and reduction in materials use. GE's investments in research and development are producing technological advancements to reduce dependence on rare earth minerals.

CHRONIC DISEASE

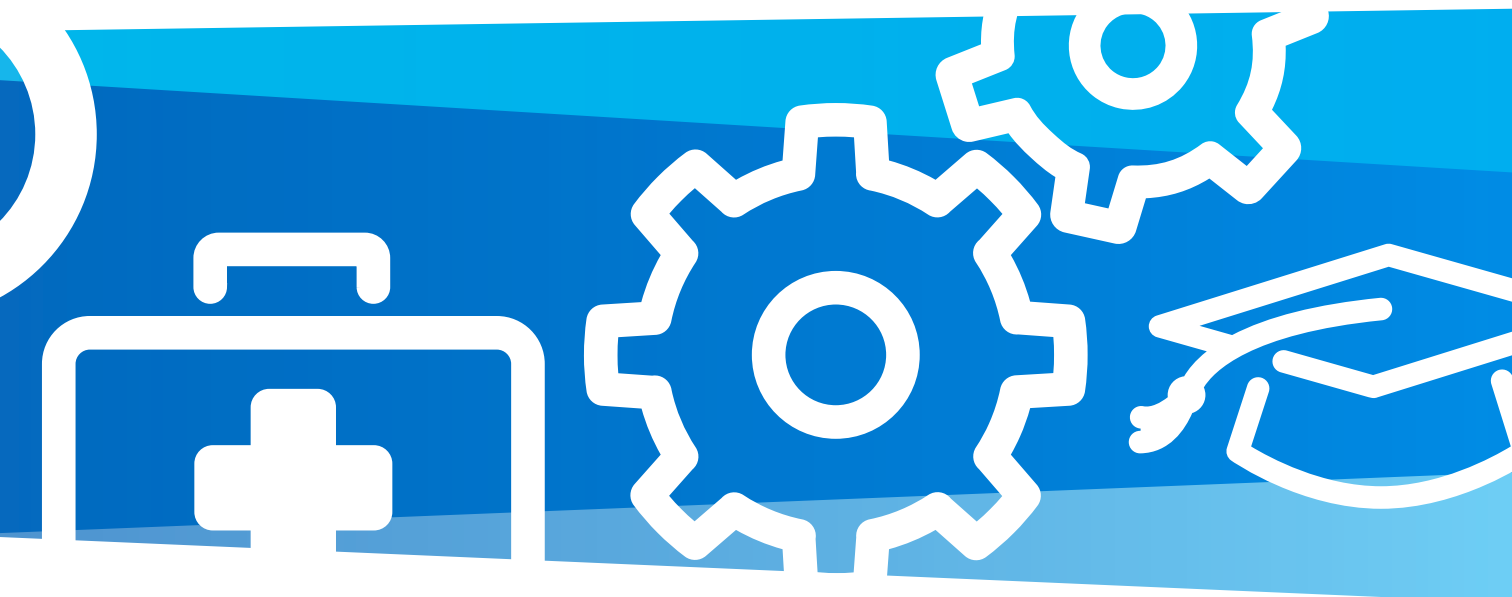
People are living longer and with a greater need for healthcare. Chronic diseases, such as heart disease, stroke, cancer and diabetes, are the leading cause of mortality in the world, and represent the largest proportion of healthcare costs. Game-changing innovations are needed to meet today's greatest global health challenges: cost, quality and access.

UNEVEN ECONOMIC DEVELOPMENT

Competitive economies create rewarding employment, but recent economic events have shaken confidence. Governments around the world face the common challenge of creating the conditions for business to grow employment in the face of economic volatility, rapidly changing technology and competitive pressures.

SKILLS GAP

High-value service industries, high-tech manufacturing and new green industries require key skills, particularly in math, engineering and science. In many countries, not all boys and girls complete primary schooling, and in others, including the U.S., lack of achievement in math and science poses serious risks to future competitiveness.



AFFORDABLE HEALTHCARE

GE is helping to improve healthcare systems around the world through innovative developments in patient monitoring, healthcare information technologies and medical diagnostics. Healthymagination is GE's \$6 billion, six-year commitment to investing in product and service innovation and research and education to improve the quality of care, reduce costs and increase access for more people.

PRODUCTIVITY AND COMPETITIVENESS

With nearly 300,000 people working across 100 countries, a skilled and motivated workforce is crucial for GE to create value. Employment in GE's infrastructure businesses has grown 30% since 2000, and in 2010 and 2011 GE will add another 16,000 manufacturing and high-tech service jobs in the U.S. alone. We advocate for open trade because global competition creates jobs, by driving up productivity, creating export opportunities and reducing costs for consumers.

IMPROVING EDUCATION

In the U.S., GE's Developing Futures™ in Education program invests in education systems and curriculum development to help raise student achievement in math and science. Around the world, GE partners with Junior Achievement and the Institute of Higher Education, as well as organizations such as UNICEF, to improve access to education and employment.

CHALLENGES

CONFLICT AND CORRUPTION

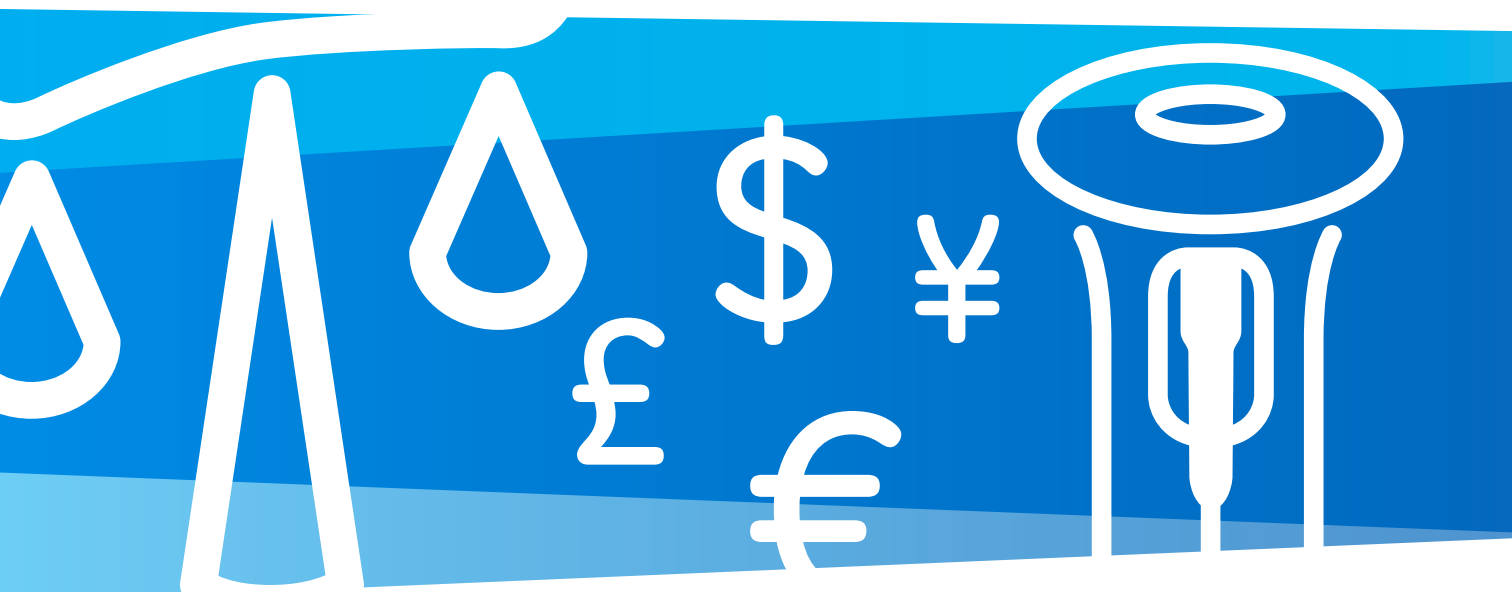
Where corruption, crime and conflict undermine justice, law enforcement and delivery of public services, people are unable to realize their fundamental human rights to freedom of speech and belief and freedom from want and fear. Countries with a poor rule of law are bad environments in which to do business, investments are challenging and companies risk becoming complicit in human rights abuses.

FINANCIAL VOLATILITY

In recent years, the fallout from the financial crisis was significant. Access to credit is crucial for business and households, and sustainable growth depends on financial markets investing for the long term.

STRUGGLING CITIES

The world is now more urban than rural, and by 2050, 75% of people will live in cities, many of which are still being built. Rapidly growing cities are threatened by scarce resources, environmental problems, new diseases and transport gridlock. It is estimated that by 2020, 1.4 billion people will be living in slums.



VALUE

HUMAN RIGHTS AND RULE OF LAW

GE is committed to promoting transparency and supporting strong rule of law. Respect for human rights is fundamental to the way GE conducts business around the world. This commitment reduces our risks, but also helps our host countries and business partners develop better systems and effect wider positive change.

RESPONSIBLE INVESTMENT

GE has built a credit business that is aligned to the Company's core competencies in industrial lending. We have established global responsible lending standards to guide the way we develop and market financial products to consumers. When we finance projects in developing countries, we follow the Equator Principles. These standards and principles reduce the risk of our lending and improve its impacts.

CITY PARTNERSHIPS

GE is building new infrastructure with the most efficient solutions around the world. From clean energy and water, to smart grids, to hospitals, to electric vehicles, to high-speed rail, we are developing the infrastructure for rapidly growing cities to become good places to live. In cities from Rotterdam in the Netherlands, to Miami, Florida, to Masdar in Abu Dhabi, GE is working with city authorities to enable transformation and growth of smarter cities. And in London, we are helping to power the 2012 Olympic Games with minimal environmental impact.

OVERVIEW

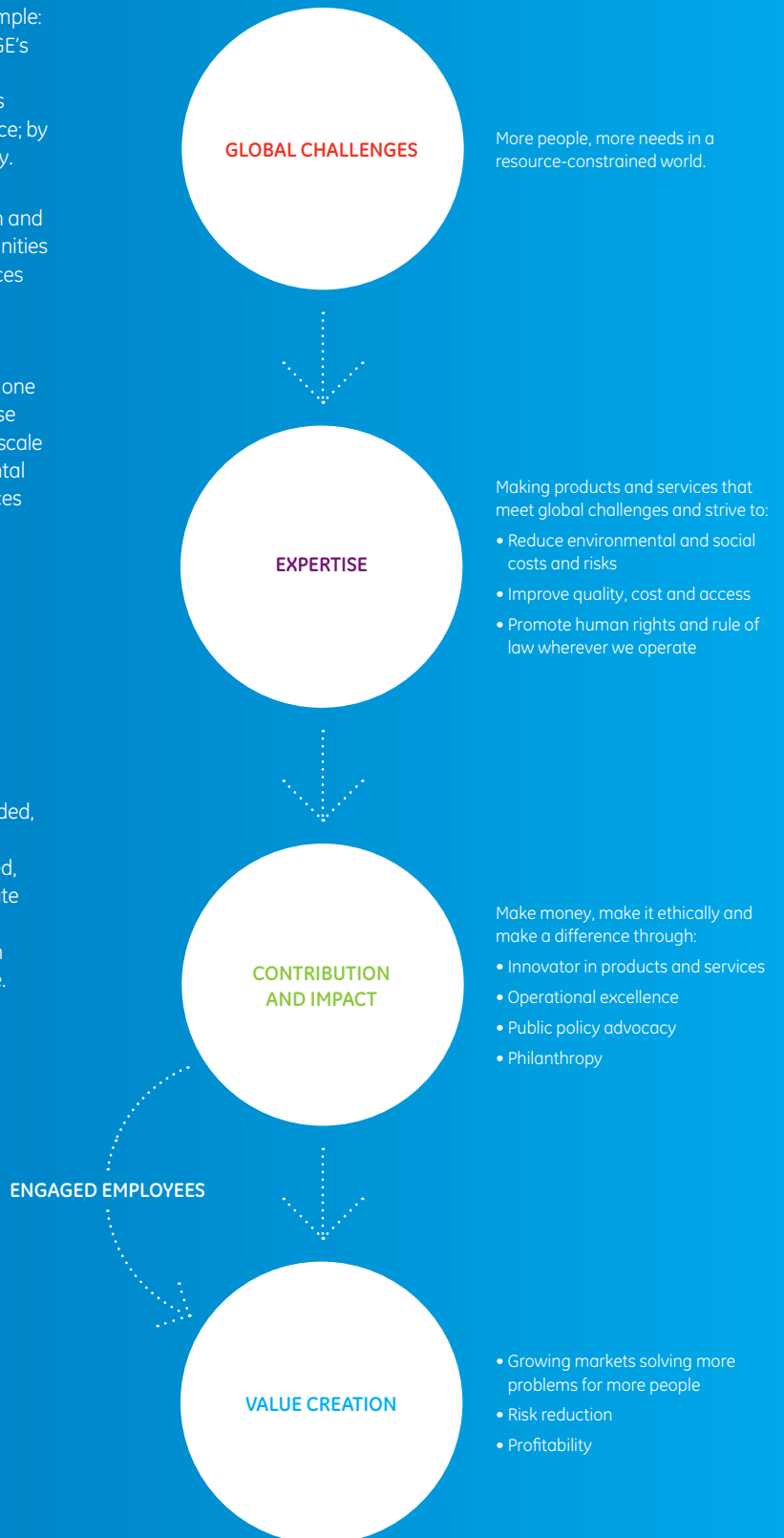
CREATING SUSTAINABLE VALUE

GE's principles for being a good corporate citizen are simple: make money, make it ethically and make a difference. GE's approach to citizenship is our business. It is through innovating in products and services to solve the world's biggest challenges that we can make the most difference; by doing it ethically, we are able to earn our place in society.

GE's business strategy for achieving sustainable growth and creating value for shareowners, customers and communities recognizes that we are in a world where natural resources are constrained. Fuel, water, food and raw materials are already in short supply for many, yet the needs and aspirations for more and better jobs and opportunities, goods and services will only keep growing. The number one role of business in contributing to society is to meet these needs. This will require innovation at an unprecedented scale and speed to reduce the cost (including the environmental cost) and improve the quality of the products and services that people need for a better life, and to make them accessible to more people.

It is not just natural resources that are in critically short supply. Communities, cities and countries need resilient infrastructure to prosper. This includes the hard infrastructure of roads and railways that get people to work and goods to market, and the networks that carry information and power. It also includes the soft infrastructure of schools and universities that educate, capital markets which direct investment where it is needed, rules which enable free trade, laws that enable ideas to be shared while intellectual property rights are protected, and sound institutions that prevent corruption and create the basis for collaboration. Developing the policies and institutions of tomorrow requires as much collaboration and innovation as developing the products of the future.

As the examples on the previous page illustrate, it is by responding to these global challenges that we create value for customers and communities, and ultimately produce returns for our shareowners.



As a panel, over the past years we have questioned and debated with GE on issues including human rights, public policy influence, taxation, the rule of law, community investment and climate change. Over this time, we have seen a significant shift in the Company's thinking and approach, as its view of citizenship has evolved from having a focus primarily on compliance and philanthropy, to becoming part of how the business understands and responds to risks and opportunities.

Following the financial crisis, we were pleased to see Jeff Immelt's emphasis on redefining business for a "reset" world, and we continue to work with GE as it seeks to further integrate social and environmental issues into the business.

Each of us comes from a different perspective—community development, human rights, sustainable investment, climate change and economic development—but we recognize that the issues of climate, energy security, ecosystem destruction, water, health, security and uneven economic growth are linked. The common challenge we all see is one of sustainable growth; how to create jobs and widen access to products and services in a resource-constrained and low-trust world.

Much remains to be done by businesses as well as by governments and other actors to address the systemic problems behind the world's environmental, social and financial crises. To address the complex nexus of issues, those in the lead will need to do more than continue to advance "more of the same." They will need to make a further step-change in ambition and in the way that they define future products and services, understand risks and pursue innovation and competitive advantage. Three key dimensions where the practice of corporate citizenship will need to be strengthened to achieve this step-change are:

1. **Global**—*Corporate citizenship has to measure up to the scale and urgency of global challenges.* In developing solutions for customers and managing their own impacts, businesses will need to be clearer about how far their current solutions measure up to the objective of providing truly sustainable products and services. However, it is clear that no business, however big, can succeed on its own in addressing the governance gaps and market failures that leave needs unmet and create damage to health, communities and the environment. Businesses will need to strengthen their understanding and articulation of global challenges and how they can work to scale up solutions and redefine markets and global rules. Their wider influence through business alliances, public-private partnerships and public policy advocacy can be as important to this as their business innovation. **Over the next year, we look forward to working with GE as it develops its contribution to the International Rio Sustainable Development Summit in 2012.**

GE's stakeholder advisory panel supports, challenges and advises the Company on its approach to citizenship.

EVOLVING THE PANEL

GE first convened an expert advisory panel in 2007 to help to guide and strengthen the Company's corporate citizenship reporting. The panel is convened by Dr. Simon Zadek, independent advisor to GE. The panel's role has developed beyond its original mandate of offering year-by-year commentary and guidance on GE's corporate reporting to engaging with GE to support it in identifying strategic priorities and achieving goals. Current panel members are Isabel Hilton, Jane Nelson, Valdemar de Oliveira Neto, Nick Robins and Salil Tripathi. Panel members advise GE in a personal capacity.



"What is striking about GE's approach is how it has evolved from community engagement or corporate philanthropy to really **incorporating a conception of citizenship at the heart of strategy**. But to really solve systemic challenges they will need to take another step up in scale and ambition in the way they collaborate to address social issues, particularly at a national level. The challenge is to manage their engagement on social issues with the same rigor as their R&D programs; developing and testing out solutions in country-for country, and working out how to **go from promising innovations to scalable solutions.**"

— VALDEMAR DE OLIVEIRA NETO, INSTITUTIONAL POLICY DIRECTOR, AVINA FOUNDATION



"Responding to the increasingly acute sustainability imperative depends on companies demonstrating to their investors how **short-term returns are connected to long-term challenges**. This year, GE has shown it has grasped this agenda, pointing to a **catalytic role in capital markets in the years ahead.**"

— NICK ROBINS, HEAD, HSBC CLIMATE CHANGE CENTRE OF EXCELLENCE

2. **Local**—*Responsible citizenship has to respond to issues material to each locality and sector where the business operates.*

Ensuring that global standards are applied throughout the business and in supply chains is critical, but is not sufficient. Increasingly, we believe the focus of corporate citizenship will need to shift to building the capacities and systems of business units, joint-venture partners, customers and suppliers to be able to identify and address issues that pose opportunities and risks wherever they arise. This should not undermine global standards, but should allow business to better understand how their actions contribute to or undermine national goals, and to develop locally practical solutions. For companies like GE, organized more around business lines and global value chains, this is a particular challenge. **We believe GE has considerable potential to strengthen its regional stakeholder engagement and reporting and capacity building efforts alongside its corporate-level citizenship activity, and we would like to intensify our contributions in this area.**

3. **Financial**—*Responsible citizenship should engage with the investment community.* Despite the progress in mainstreaming socially responsible investment, which is outlined in the essay on shareowner value in this report, there remains a large gap between the importance of environmental, social and governance issues to long-term value creation, and the investment community's practices for integrating them into investment decision making. Companies should engage with their investors and build a stronger understanding of the linkage between corporate citizenship, value creation and shareowner value. **We believe that GE has a unique opportunity to help to develop this dialogue with investors, and we hope to support this process in the year ahead.**

Overall, as sustainability issues become more material and are more closely intertwined and complex, the pressure on risk management and planning tools for companies and for investors will become more acute. Companies need to stress-test whether they are effectively picking up these issues in the processes they use to drive their business both globally and locally. They will also need to ensure that they develop distributed leadership on sustainability so that it is not just the domain of either the CEO and leadership team or the specialist teams.

We will continue to work with GE to help the Company to understand emerging expectations, strengthen its processes and be ever more ambitious, creative, effective and open in its approach to social, environmental and economic challenges.



"Looking back at what companies were doing on human rights a decade ago, there was less clarity and a lot of confusion. Companies were making isolated efforts where they had some influence. Now there has been a generation of partnerships and global efforts to develop **principles and standards for business and human rights**. Now the challenge is achieving implementation by companies large and small and all around the world. GE has taken crucial steps, adopting the UN 'Protect, Respect, Remedy' framework, and developing and implementing procedures. As it continues to work to fully integrate human rights into all its management systems, it can also help **share learning with joint-venture partners, suppliers and industry associations** to accelerate wider change."

— SALIL TRIPATHI, POLICY DIRECTOR, INSTITUTE FOR HUMAN RIGHTS AND BUSINESS



"Over the past 10 years, there has been more focus on measuring and managing the environmental and social performance by business, but we must not forget **economic performance**. This includes and goes beyond the financial bottom line. One of the most important roles that business plays is in **creating jobs and expanding economic opportunities and resilience**. This includes developing local human capital, building physical infrastructure, strengthening institutions and supporting the development of local enterprises and economic clusters. As GE continues to develop its approach to corporate citizenship around the world, understanding, managing and reporting on its economic multipliers will be crucial."

— JANE NELSON, DIRECTOR, CORPORATE SOCIAL RESPONSIBILITY INITIATIVE, JOHN F. KENNEDY SCHOOL OF GOVERNMENT, HARVARD UNIVERSITY



"Over the next 10 years, there will be **greater scrutiny** of how far business is contributing to solving the major problems of climate change, energy scarcity, environmental degradation and resource depletion. The business contribution will need to be **measured up against the scale of the challenge** as consumers, investors, citizens and business partners stop asking, 'What are you doing?' on this issue, and start asking, 'How do you know if it is enough?'"

— ISABEL HILTON, CEO AND FOUNDER, CHINA DIALOGUE

The past decade has seen an acceleration in practical action by business. Companies have invested in eco-efficiency to find ways to “do more with less,” they have adopted ambitious environmental and social performance targets and managed them as part of the business, and they have opened up with reporting on performance and collaboration with a broader range of stakeholders, from the UN to local communities.

For GE, this is our seventh annual citizenship report, and it has been six years since we launched ecomagination, our first companywide strategy. Our citizenship reports have charted our performance each year, reflecting the development of increasingly robust internal systems and an evolving shift in thinking from a philanthropic focus to incorporating social and environmental issues at the heart of business strategy. This shift has not been cosmetic; over the past decade, GE has repositioned its portfolio through divestitures representing 50% of the Company to focus on key global themes such as energy, water and healthcare, and to build strength in the core businesses by providing the infrastructure and financial services needed for growing economies.

It is not a journey that we have taken alone. Accompanied by many other companies, we have collaborated with organizations such as the World Business Council for Sustainable Development, the UN Global Compact and the Business Leaders Initiative on Human Rights. The Milestones in Citizenship timeline in this report charts some of these developments.

How do public-private partnerships contribute to sustainable development/problem solving?



Public-Private Partnerships:
A Critical Tool for Driving Corporate Citizenship
www.gecitizenship.com/public-private-partnerships

Much has been achieved. There is an increasingly clear recognition that companies have to serve two roles. We have to drive economic growth, but we also have to be a force for change.

Leading companies have recognized that they can help to create the world they want to see, not only through community engagement and philanthropy, but through the way they manage their business, the products and services they develop and the public policy positions they advocate.



“A Green Race has started not just between companies, but also among the major economies that are becoming the leading suppliers of resource-efficient, low-polluting products and services. China is already a world leader in critically important low-carbon technologies, such as solar power, and is catching up in other areas. The U.S. has unparalleled innovation capacity, and when it fully mobilizes to compete in the Green Race it will be a key player.”

— BJÖRN STIGSON, WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT



“Corporate social responsibility is becoming an expectation for companies doing business in China, whether they are multinationals or Chinese enterprises. Following the law and acting responsibly and ethically are the foundations for business strength, and enable businesses to contribute to society...”

— LIU DONGHUA, FOUNDER OF THE CHINA ENTREPRENEUR CLUB



“Today there are over two billion people on the Internet, and some 600 million on Facebook alone. This vast new fabric of social connectivity is not only transforming industries and enterprises, it is reshaping the way we learn, create, govern and even care for one another. In virtually all sectors and human endeavors we see people with drive, passion and expertise taking advantage of new Web-based tools to help make the world more prosperous, just and sustainable. As we look ahead, I believe companies can leverage this new social connectivity to amplify their sustainability and social business efforts.”

— ANTHONY D. WILLIAMS, CO-AUTHOR, WIKINOMICS

Alongside GE’s ecomagination and healthymagination goals, Walmart, Dow Chemical, Procter & Gamble, Unilever and the Coca-Cola company are just some of the companies that have set ambitious targets for energy efficiency, renewable energy, waste and water use, and sustainable products.

Businesses have come together with governments, investors, NGOs and other players in collaborations, such as The Global Fund to Fight AIDS, Tuberculosis & Malaria and The Extractive Industry Transparency Initiative to solve intractable problems of healthcare, corruption and climate change.

The debate about business and human rights has come a long way through the work of the UN Secretary General’s special representative John Ruggie, who has worked to identify and clarify standards of corporate responsibility and accountability regarding human rights. The “protect, respect and remedy” framework developed through this work have been adopted as part of GE’s own human rights policy.

Experimentation in how to assess and communicate the impacts of products and companies on people, communities and the environment in order to drive better decision making has been critical to the development of corporate responsibility. Key initiatives have included the Global Reporting Initiative, the Carbon Disclosure Project and UN Principles on Responsible Investment. We remain a long way from the ideal of integrated reporting, but it is clear that metrics and measures must continue to improve and show the linkage between social, financial and environmental performance.

We have learned many things in our journey so far, not least the importance and difficulty of listening, learning and collaborating with stakeholders. But we have also learned that the challenges are greater, and more fundamental than first imagined.



“Many companies have preferred to keep their sustainability efforts to themselves, working quietly to transform their operations, products and services. For years, this was seen as admirable. Today, customers and stakeholders want to know in great detail what companies are doing: how they’re measuring and managing their impacts and making continuous improvement.”

— JOEL MAKOWER, EXECUTIVE EDITOR, GREENBIZ.COM



“Businesses need to reframe challenges as opportunities; recognizing that slum dwellers are home-builders, rag pickers are recycling workers, and the poor can be customers. Bringing a better life into reach for more people will take innovation; creating new systems and products that solve access, price and quality issues...for this effort to be sustainable, it can’t just be a single leader’s vision. It must be core to the DNA of the business—understood by shareowners, senior managers and employees as the way the Company creates value.”

— PAMELA HARTIGAN, DIRECTOR, SKOLL CENTER FOR SOCIAL ENTREPRENEURSHIP



“The companies that are at the forefront of social responsibility in Brazil are using their huge power of influence in public policy debates and the media successfully to support public policy development, influence investors and consumers and encourage values that promote sustainable development.”

— ODED GRAJEW, CHAIRMAN, INSTITUTO ETHOS, BRAZIL

As GE Board member Sam Nunn says of his own work in reducing nuclear dangers, the global quest for sustainable development is a race between collaboration and catastrophe. Events such as the devastation of Hurricane Katrina, the Gulf of Mexico oil spill and the financial crisis highlight what happens when the problems outrun the solutions.

The urgency of the challenges—innovating products and services to enable better lives for more people within the bounds of the earth’s natural resources, creating societies that protect people from oppression and poverty and enable them to achieve their potential, and creating frameworks of disclosure and regulation which ensure that capital markets direct investment for long-term value creation—mean that the corporate response must shift up a gear, to the next level of rigor, ambition and scale. The complexity of the issues, and risks, in different regions and sectors means that every part of a business must become involved in understanding risks and opportunities related to social and environmental issues.

Rachel Kyte, vice president for Business Advisory Services at the International Finance Corporation of the World Bank, has served on GE’s Citizenship Advisory Panel in recent years. As she puts it, *“We are on the edge of something transformative, but we have reached the limits of what can be achieved by continuing on the same path. Businesses will need to be fully integrated around sustainability, with it driving the innovation agenda. Key constraints are not just carbon and water but accessing talent. Corporate citizenship won’t be about value add, but creating shared value.”*

In starting to develop our corporate citizenship strategy for the next decade, GE invited practitioners and thought leaders on corporate responsibility to tell us where they think the future is heading. The trends that they highlight are increasing complexity, the need for greater ambition and the continued need for collaboration and transparency.



“In South Africa, measuring and reporting on carbon emissions and climate change adaptation started out as a task assigned to the environmental manager. It has graduated to include the portfolios of energy, water and risk as the data begins to tell a story of risk opportunities that are material to investors as well as the public. The public is asking tougher questions as consumers and as local community members who are in competition for depleting ecosystems and access to basics such as food, water, energy and mobility. Stakeholder engagement cannot be something left to the specialists in corporate citizenship—it concerns everyone in the company who communicates with customers, investors, local communities, regulators, policy makers and the public.”

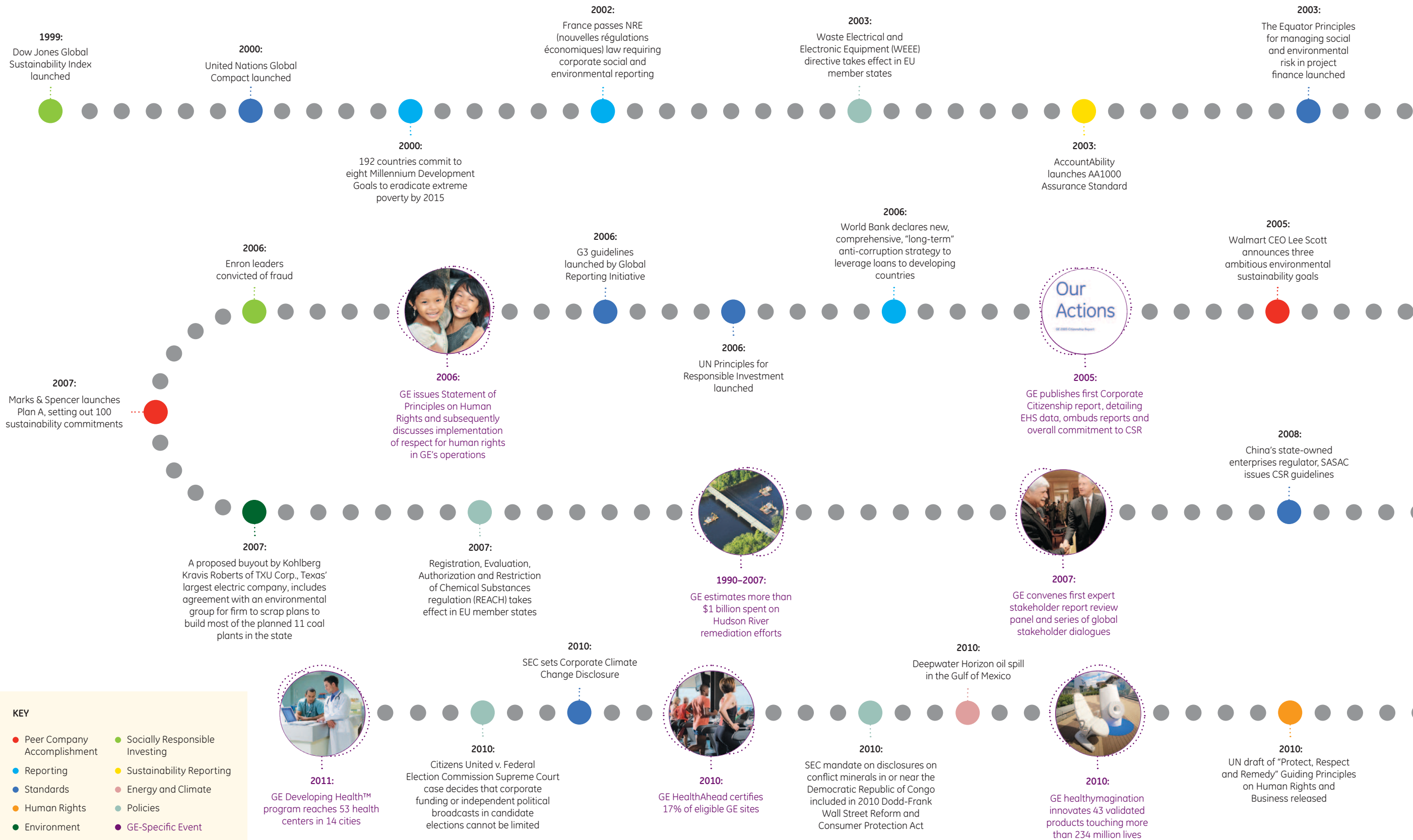
— VALERIE GEEN, DIRECTOR, CLIMATE AND ENERGY, SOUTH AFRICAN NATIONAL BUSINESS INITIATIVE

Can GE help to reduce greenhouse gas emissions through its supply chain?



Greenhouse Gases and GE’s Supply Chain
www.gecitizenship.com/greenhouse-gases-and-ge-supply-chain

CHALLENGES
MILESTONES IN CITIZENSHIP



KEY

- Peer Company Accomplishment
- Socially Responsible Investing
- Reporting
- Sustainability Reporting
- Standards
- Energy and Climate
- Human Rights
- Policies
- Environment
- GE-Specific Event

2004:
The European Social Investment Forum releases transparency guidelines covering 17 socially responsible investment practitioners

2005:
Kyoto Protocol enters into force, setting binding targets for developed countries to reduce GHG emissions on average 5.2% below 1990 levels

2005:
GE announces launch of ecomagination



2005:
HSBC announces intention to go carbon-neutral

2009:
GE Foundation Developing Health Globally™ (DHG) program reaches 4.8 million people in 13 countries



2008:
Lehman Brothers declares bankruptcy; financial crisis begins



2009:
Cincinnati Public Schools rise in state rankings as a result of GE Foundation Developing Futures™ in Education \$20 million grant

2009:
GE announces launch of healthymagination



2009:
GE ecomagination innovates more than 90 products and accomplishes goal of \$1.5 billion invested in cleaner technologies one year ahead of schedule



2009:
U.S. EPA finds that greenhouse gases cause a threat to public health and welfare, taking a step closer to federal regulation

2009:
Bloomberg launches ESG Data Service

2009:
Countries representing over 80% of global emissions make pledges under the Copenhagen Accord to reduce greenhouse gas emissions

In our 2008 citizenship report, I wrote about a “reset world” in which the expectations of peace and unprecedented prosperity with which we started the century had been shattered by volatility in the natural and political world and by the global financial crisis.

As the Citizenship Advisory Panel highlights in this report, the challenge of sustainable and resilient growth goes beyond what can be achieved by individual projects and programs. The key problem is how to scale up solutions to meet the size and urgency of global challenges.

The ability to innovate on a large scale is what defines GE. Over the past 10 years, we have repositioned the Company to focus on providing the infrastructure and financial services that growing economies depend on, and solving the global challenges of clean energy, affordable healthcare and productivity. We have tripled the amount of revenues invested back into R&D from 2% to 6%. Through local research centers and our ecomagination and healthymagination strategies, we have developed products that are significantly more efficient, and available at lower price points, and we have grown our business outside of the U.S. from 30% to 60% of the Company. We have done this while continuing with a commitment to high standards of integrity and social and environmental performance.

But more of the same is not enough. Sustainable growth requires solutions that go beyond the scale of individual companies, even those on the scale of GE. Nations around the world will need to find the resources and confidence to invest in institutions and good governance, training and skills, and infrastructure and research, to enable whole economies to transform to meet the opportunities for cleaner, greener growth. Private capital exists to fund many of these developments, but depends on the investment certainty provided by clear public policy.

We are investing in clean technologies like energy efficiency, wind and solar, nuclear, smart grid and electric vehicles, because we believe it is not a question of “if” but “when” the world will shift toward more sustainable growth. We remain committed to nuclear as part of the overall energy mix, and we are committed to learning from all the events created by the horrific earthquake and tsunami in Japan.

As economies renew, both governments and business must tackle inequality and widen opportunity. This is an agenda we are pursuing with governments around the world. In the U.S., I am working with other leaders on the President’s Council on Jobs and Competitiveness to tackle the problem of persistent and high unemployment—and the pessimism it breeds.

The public investments needed for a competitive economy all cost money, and it is part of the corporate responsibility of business to contribute a fair share of its profits.

Our approach to citizenship is to take part in conversations on issues concerning business and society, to understand and find solutions. Taxation is an important part of the broader relationship between business, government and society, and I welcome debate.



Jeffrey R. Immelt
Chairman of the Board
and Chief Executive Officer



EXPERTISE
A LETTER FROM SAM NUNN

GE's Board of Directors holds the Company accountable for delivering long-term shareholder value. Both the Board and management recognize that the long-term interests of shareholders are advanced by responsibly addressing the concerns of other stakeholders and interested parties, including employees, customers, suppliers, GE communities, government officials and the public at large. We believe that stockholders benefit when GE helps solve global and regional challenges with profitable products, services and expertise.

The Public Responsibilities Committee, which I chair, considers trends and developments in legislation, regulation, risk management, and public debate around the world. We encourage and expect management to respond to society's challenges, meet its expectations, and help assure that markets reward responsibility.

We review the key public policies that the Company advocates around the globe, as well as the manner in which it conducts its relations with policy makers and regulators. We seek to ensure that the practices the Company demonstrates and the positions the Company takes are aligned to its legal and ethical commitments.

Our committee is reassured by the alignment between GE's strategy for creating sustainable value and its positions as a contributor to public policy debates. We are also reassured by management's commitment to ethics, integrity, compliance and sustainability, and by the resources and focus dedicated to implementing these commitments. GE commitments apply everywhere the Company operates, and the performance benchmarks for every GE facility are global best practices and local legal requirements.

Our committee and the Board monitor performance, ask questions, and discuss risks related to the environment and other public policy initiatives. These relate both to GE's 130-year legacy and to new expectations that the Company must understand as they emerge. Often, the Company operates in dynamic economies where rapid growth is putting extraordinary pressure on institutional frameworks for ensuring responsibility and integrity along supply chains and in product use. Resource-rich countries in particular have their own risks, as an abundance of natural

resources can fuel corruption, economic stagnation and conflict, rather than sustainable economic development. Adopting new technologies brings other concerns about privacy, safety, intellectual properties, and environmental impact.

As an important part of our accountability process, this Citizenship Report is about specific issues of interest to stakeholders. It is also about how GE's products, services, and investments address global imperatives in a way that sustains growth and long-term value for shareholders, employees, business partners and society. We hope that those who read this report will recognize GE's commitment and effort, test our thinking, and work with us as we help create a healthy and prosperous society, and improve an innovative, creative and profitable GE.



Sam Nunn
Committee Chair, Public Responsibilities Committee
and Member, GE Board of Directors



Citizenship means business at GE.

Over the past 10 years, GE has sought to demonstrate and deepen the linkage between our role as a good corporate citizen and how we pursue opportunities to be a successful business.

The themes we have been exploring, by convening discussions between GE executives and stakeholders on issues such as conflict minerals (see page 18), resource scarcity, weak rule of law and a more volatile climate, have now moved from the margins to the mainstream.

Creating shared value and helping to solve global problems are becoming a core benchmark measure against which businesses are judged.

Our approach to citizenship also needs to continue to evolve to ensure that we meet our own ambitions and the expectations of our stakeholders.

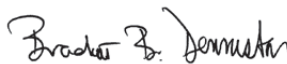
In particular, we need to continue to ensure that social and environmental issues are fully integrated into the way we plan, build competencies, assess risks, manage performance and direct investments, in every GE business and in every country where we operate. This also means continuing to deepen the way we work with suppliers, joint-venture partners, customers, governments and communities to understand and respond to shared challenges.

Continuously improving the Company's response to both global and local issues depends on listening and learning. Consulting with our Citizenship Advisory Panel is one way we seek to do this. Discussions with the panel about the future of our corporate

citizenship approach have focused on three priorities: measuring the Company's approach against the scale and urgency of global challenges, responding to issues material to each locality and sector where we operate, and ensuring that investors understand the link between GE's strategy for contributing to sustainable development and creating shareowner value.

This report, and the accompanying country fact sheets, represents a snapshot of where we are in addressing these challenges.

As a business, GE is developing a more decentralized, faster and more local approach to its global business, building more integrated local teams (such as in India, where we are building "One GE" business—see page 22) and in many cases taking a "company to country" growth strategy of working directly with governments to meet local needs. Our approach to citizenship must also become more localized, and we will advance this through regional dialogues bringing together GE executives and stakeholders during 2011 and beyond.




Brackett B. Denniston III
Senior Vice President
and General Counsel

Bob Corcoran
Vice President,
Corporate Citizenship



GE is committed to acting with integrity in relation to our tax obligations wherever we operate. At the same time, we have a responsibility to our shareowners to reduce our tax costs as the law allows.

GE has taken criticism recently regarding its U.S. tax obligations. Like any business or individual, we do like to keep our tax rate low. But we fully comply with the law and there are no exceptions. GE acts with integrity in relation to our tax obligations wherever we operate. At the same time, we have a responsibility to our shareowners to reduce our tax costs as the law allows. Under any system, GE will comply and pay what we owe.

The reason our tax rate was lower in 2008, 2009 and 2010 is simple: We lost \$32 billion in GE Capital during this time, as a result of the global financial crisis.

Over the past 10 years, GE has paid almost \$23 billion of corporate income taxes to governments around the world, making us one of the highest payers of corporate income taxes. In 2011, we expect a higher U.S. tax rate as GE Capital continues to recover. In addition to corporate income taxes, GE pays many other taxes, including property taxes, sales and use and value added taxes. Please see www.gereports.com/setting-the-record-straight-ge-and-taxes and www.gereports.com/more-on-ge-and-taxes for more details.

We also believe in common sense reforms to the U.S. tax code. The U.S. tax system is old, complex and uncompetitive. The purpose of the tax code should be that everyone pays their fair share, including GE. But it should also help to promote jobs and competitiveness. It does the opposite today.

GE favors closing loopholes, a lower corporate rate, and a territorial tax system where overseas income is subject to tax in the country where it is earned. This would put the U.S. in line with every other developed country in the world and encourage us and others to invest more capital and create more jobs in the U.S.

The global economic and financial crisis has intensified the challenge that governments face in balancing the need to finance public services with the need to enable enterprises to create prosperity and jobs. Contributing to the development of tax systems that are fair and enable sustainable development is a shared challenge for business, governments and citizens. It requires an informed and proactive public debate.

How can the U.S. remain competitive in a global economy?



Jobs and Competitiveness

www.gecitizenship.com/jobs-and-competitiveness

At GE, listening, reflecting and responding to our stakeholders is critical to informing our priorities for citizenship as well as for product development.

GE continually engages with customers, suppliers, regulators and collaborators all around the world. This happens in our engagements with industry bodies and high-level summits, in our investor meetings and in our everyday conversations between our sales teams and customers.

CITIZENSHIP

The integration of citizenship priorities into business strategy starts at the top. GE's Board of Directors is responsible for overseeing how management serves the interests of shareowners and other stakeholders. The Board and its committees consider such issues as risk management; environmental, social and regulatory challenges; and global trends. Our corporate citizenship advisory panel plays a key role in providing external advice and challenges as we develop our approach to corporate citizenship and to particular issues of concern. To read perspectives from our corporate citizenship advisory panel, please see pages 6–7 of this report. Additionally, GE engages with a wide range of stakeholders on an ongoing basis to seek their insights and opinions, which are often reflected in "Features" and "Perspectives," some of which are referenced in this report and can be found in full on our citizenship Web site: www.gecitizenship.com/news/features-articles.

GE engages in a number of issue-specific, multi-stakeholder dialogues, focusing where we have significant influence and impact. One example, developed this year, has been our work on the problem of conflict minerals, with Business for Social Responsibility (BSR), together with NGOs and investor organizations. This year we also hosted a supplier summit in China, bringing together GE sourcing, EHS and quality staff with suppliers, peer companies and government representatives to discuss the challenges in securing better working conditions.

PRODUCT DEVELOPMENT

Our "Session T" technology planning process draws on feedback from customers and business and technology leaders to develop ideas that lead to new or better products and address the needs of our customers and society.

Our advisory panels for ecomagination and healthymagination also challenge and sharpen our focus on innovation, driving the performance improvements of these programs. For more details, please see the ecomagination and healthymagination annual reports or www.gecitizenship.com/reporting.

The Internet and social media offer new opportunities to engage directly with stakeholders, respond to questions and invite feedback and collaboration. One example of this is the ecomagination Challenge—<http://challenge.ecomagination.com>—

an open call to action for businesses, entrepreneurs, innovators and students with breakthrough ideas on energy generation, distribution and utilization. Selected ecomagination Challenge entrants are offered the opportunity to develop a commercial relationship with GE.

CONFLICT MINERALS

GE is actively engaged in multistakeholder discussions focused on conflict minerals in a variety of ways. The Company funded the information-sharing and consensus-building efforts of BSR, a global business network and consultancy focused on sustainability, beginning with an issue report and a conflict minerals conference in May 2010. These activities set the stage for two rounds of multi-stakeholder commentary on conflict minerals reporting rules being developed by the U.S. Securities and Exchange Commission (SEC), the first of which BSR facilitated with support from the GE Foundation. Senior GE corporate representatives were active contributors to all of these discussions, and the Company participated in the joint submission of multi-stakeholder comments to the SEC, which also included NGOs and investor organizations such as The Enough Project and As You Sow, as well as companies from a variety of other sectors. These comments played a significant role in the development of the SEC's draft rules on this issue.

GE condemns the use of mineral revenue to fuel ongoing conflict in the Democratic Republic of Congo (DRC), and is committed to supporting efforts that address the root causes of the conflict. We encourage conflict-free mineral sourcing from the region, as we believe that responsible sourcing can support local economies, development and livelihoods. Under the conflict minerals reporting provisions of the Dodd-Frank Consumer Protection and Wall Street Reform Act, GE is developing policies and management processes to mitigate the risk of minerals from conflict mines in the DRC entering our supply chain. GE is also working collaboratively across industries and with multiple stakeholder groups to share information, support traceability efforts and supply chain due diligence, and assess where we can contribute to greater stability and well-being in the region.



ENGAGING AND REPORTING ON CORPORATE CITIZENSHIP WITH GE STAKEHOLDERS IN CHINA

China is an important place for GE to do business, not only because of the size of its markets but also because of the role the country plays in addressing shared global challenges. GE's supplier base in China has come a long way, but we still continue to identify significant issues. In November 2010, GE held a Supplier Summit in Shanghai, bringing together global Environment Health and Safety (EHS), sourcing quality and audit teams, peer companies and government officials to share experiences and discuss challenges in securing better working conditions.

How is GE collaborating with suppliers to improve conditions and operational systems?



A Supplier Summit in Shanghai
www.gecitizenship.com/a-supplier-summit-in-shanghai

In particular, they discussed the challenges and the limitations of auditing. The suppliers who attended the Summit shared with GE that one of the most helpful aspects of their engagement with GE was the individual coaching, training and the sharing of best practices with other suppliers on how and why to improve environmental efficiency and solve problems, rather than on simply how to pass an audit. Suppliers also highlighted the business benefits that resulted from this maturing approach to labor and environmental standards, including improved worker efficiency and morale, an enhanced reputation, and increased customer orders.

How can companies protect their intellectual property while supporting indigenous innovation in China?



Partnering for Innovation and Safeguarding Intellectual Property
www.gecitizenship.com/partnering-for-innovation-and-safeguarding-intellectual-property

In November 2010, we also held a convening in Beijing to understand broader stakeholder expectations on CSR in China. It brought together experts from Chinese NGOs, think-tanks, multinationals and state-owned companies. The key messages that we heard were that GE's contribution to society in China is focused in the right places: bringing to market technologies for energy saving and affordable healthcare, building our own and our suppliers' capacity to protect the local environment and the health and safety of people who make our products, controlling the intensity of water use and emissions in our own operations, and building the capacity for indigenous innovation through joint ventures and training.

EXPERTISE OUR PRIORITIES

GE's business strategy is focused on the big themes and issues facing the world today, and in the future. These are our shared priorities—areas where GE can contribute to solving societal problems or, conversely, must manage risks. Individual GE businesses face specific issues, as outlined in the priorities by business section below, and are increasingly understanding and managing these issues through a company-to-country approach. Any companywide

matrix of issues is therefore a broad simplification of what matters to the business. Nevertheless, it highlights the common areas where we have an impact and the ability to make a difference—through the way we operate within the business and the marketplace, or through our broader influence in society.

OVERVIEW OF STRATEGIC PRIORITIES

GLOBAL CHALLENGES

- Climate Change
- Water Scarcity & Quality
- Chronic Disease
- Struggling Cities
- Resource Depletion
- Conflict & Corruption
- Rule of Law
- Uneven Development
- Skills Gap
- Financial Volatility
- Trust in Institutions



GE RESPONSE

- Innovation
ecomagination
healthymagination
- Health, Safety and Environment
- Responsible Lending
- Human Rights Policy
- Managing Talent and Skills Development
- Education Programs
- Ethical Sales and Marketing
- Responsible Investment
- Data Privacy
- Product Safety

PRIORITIES BY BUSINESS

GE AVIATION

- *Sustainable alternative fuels*—consideration for total lifecycle, sustainability of alternative fuels and the development of criteria for sustainable biofuels sourcing, as well as capital availability
- *Rare, precious & conflict minerals* in components
- *Climate change, ocean acidification & air quality*—significant radiative forcing (gases and aerosols) from aviation emissions
- *Emissions Trading Scheme* for aviation
- *Noise pollution*—pursuing technology, operational and infrastructure improvements to lower the noise impacts of aviation
- *Business ethics*—especially government and military sales, and corruption in emerging markets
- *Intellectual property*—protection and enforcement of intellectual property rights in emerging markets

GE CAPITAL

- *Responsible lending*—discouraging predatory or discriminatory lending practices
- *Data privacy & protection*—policies and systems to ensure protection and proper use of personal and financial information
- *Disclosure practices*—of terms and fees in statements, contracts and promotional materials
- *Anti-money laundering*
- *Islamic finance*
- *Integration of Environmental, Social and Governance (ESG)* criteria into lending/financing/investment decisions
- *Environmental products*—tailored products focused on environmental credits or loans, clean tech
- *Energy financial services*—financing/leasing for renewables
- *Financing for reduced impacts*—integration of incentives and preferential terms for projects/products with reduced environmental footprint

GE HOME & BUSINESS SOLUTIONS

- *Smart product design*—energy and water efficiency, reduction/elimination of hazardous materials across consumer and home products, beyond regulations
- *Conflict minerals* used in light bulbs
- *Packaging*—reduced and recyclability of packaging, especially in consumer products
- *Recyclability & disposal*—including design and takeback
- *Labor & environmental compliance*—in manufacturing and through the supply chain
- *Smart homes*
- *Data center solutions*
- *Consumer education*—for purchasing and use of products to reduce impacts
- *Appliances for bottom of pyramid*
- *Government engagement*—to provide minimum efficiency standards
- *Intuitive visualization of resource consumption, related impact*—avoidance of overconsumption caused by human error
- *Detailed insight into resource usage by area, machine or process*—adjustment of production activities to avoid peaks/spikes
- *Correlate process/equipment performance to energy and water usage; automated exception trapping*—sustained reductions of ~10% through process tuning
- *Standard operating procedures “interlocked” with equipment, processes*—incremental 5%–10% gains from elimination of variance in procedures, setups
- *Profile of energy, water inputs by product family across sites*—reduced costs as planning optimized for utilities as well as other factors

GE HEALTHCARE

- *Access to healthcare*—for diagnostics and medical devices—pricing, patents
- *Health systems delivery*—investment in infrastructure/capabilities in emerging markets
- *Data security, portability*—especially electronic medical records
- *Energy use in data centers/servers*—due to large software services business within GE Healthcare
- *Clinical trials*—informed consent, low-resource environments, appropriate incentives/pay for healthy volunteer studies
- *Ethical sales & marketing*
- *Unintended product use*—e.g. ultrasound equipment
- *Bioethics, including stem cells*
- *Animal testing*
- *Patient safety*

GE TRANSPORTATION

- *Climate change*—tailored products focused on reducing fuel use and improved efficiency for marine engines and all-electric or hybrid rail solutions
- *Network efficiency*—end-to-end route planning to create “green trade lanes”—via lower emitting modes, e.g. ship to rail and product tools to optimize rail networks
- *Sustainable mobility*—promoting rail market growth and influencing incentive regimes to drive sustainable practices in public rail networks (e.g. within franchises, access charges)
- *Labor standards & safety*—addressing conditions in manufacturing, especially in emerging economies
- *Components in equipment & railcar bodies*—reduced use and recyclability of components and use of more efficient materials
- *Technology solutions*—breakthrough battery technology knock-on effects for system efficiency in wind and solar; drilling motors designed for lower marine environmental impacts

GE ENERGY

- *Technology and policies*—carbon capture and storage, hydraulic fracturing (toxic chemicals), enhanced oil recovery, minimization of gas flaring
- *Social license to operate for renewables*—community investments in health, education, etc.; project life cycle transitions that avoid economic/social disruptions and enhance community well-being
- *“Choose Your Customer”*—reputation risks of servicing projects that may cause significant environmental or social damage; association with controversial sourcing
- *Security and safety*—GE products responding to prevention, preparedness and response implementation in the industry
- *Nuclear power*—stakeholder concern over long-term waste issues, impact of Japan earthquake/tsunami and security risks
- *Supplying solutions to public networks*—smart grids, infrastructure and operational efficiency capabilities, LNG and natural gas networks
- *Sustainability of renewable energy components & alternative fuels*—total life cycle impact of solar panels, wind power components & electric vehicles, toxicity of components, energy requirements in manufacturing, biofuels (first, second and third generation)
- *Conflict and rare minerals*—in turbine blades, electric and hybrid cars
- *Wind power designed for more diverse installation sites*—e.g. more urban

COUNTRY FACT SHEETS

In the interest of providing more useful data regarding GE's citizenship activities, a series of fact sheets has been developed to share information on a country-specific basis. Please visit www.gecitizenship.com/our-business/country-fact-sheets to download copies.

Brazil	Germany	Japan	Poland
Canada	Hungary	Kenya	Saudi Arabia
China	India	Korea	South Africa
Colombia	Indonesia	Mexico	Spain
France	Italy	Nordic Region	UK

Q&A



How important is India to GE, and how can India's place in GE's plans be compared to its focus on the U.S. and China?

GE has been in India for more than a century, with our first investments being in hydro power back in 1902. Our growth here has been in the last 20 years, as we see India both as an important market and an extraordinary source of talent. With annual revenues of about \$2 billion, we have a long way to grow with and in India.

How will GE contribute to India's leadership in forging tomorrow's green economy, and how best can that contribution be measured?

India has several development needs, but right up there in the priorities are some of the things we do, especially energy and healthcare. Energy use in India is growing rapidly, with 70% today generated through the use of coal. Clean energy development is therefore key, and our gas turbine business is currently our largest source of revenue in India. We expect both wind and solar to be growth areas going forward. Our transport business, focused in India on locomotives and fuel-efficient aviation engines, provides a significant energy and carbon-efficient contribution to India's burgeoning requirements in this area.

But "green" is not just about the environment; it also means healthy people. Our health diagnostics products have a contribution to make here, especially with the healthymagination focus on lower cost and more mobile products suited for the rural Indian context.

India is challenged to bring more people out of poverty than any other nation: How can GE's technological leadership and business innovation help address this challenge?

Technology is not the single answer to addressing poverty, but it can be a major contributor if developed and deployed effectively. GE does a lot of large-scale technologies, and these are and will remain a crucial part of the development mix. Increasingly, however, we complement this traditional strength with smaller-scale technologies sorely in need in India today, such as our water purification technology that can remove life-endangering arsenic, and off-grid power-generation equipment using available biomass with no need for electricity. One sign of the growing importance

of this more recent technology thrust to GE is the increasing collaboration across our international R&D capabilities—especially between emerging economies such as India and China.

India has a vibrant and important civil society: How has GE engaged with this community, and how might this engagement be improved going forward?

GE's profile in India is of a company that is a long-term player investing significantly, creating jobs and bringing leading technologies to bear on the country's development. We partner a great deal with government, given our business focus of energy, healthcare and transportation. Our operations do not attract concern or criticism for their environmental or social footprint. Operating in India, however, means engaging with communities and NGOs concerned with community development and broader social and environmental issues. Mainly, this is achieved by contributing to communities in need, and we encourage and support employee engagement through volunteerism in education and health initiatives.

Which Indian companies do you admire most, especially for their approach to integrating sustainability into their strategies and practices?

Operating in India means being part of a broader business community that is increasingly world class in every respect. It would be wrong to single out any particular companies that impress me, but there is no doubt in my mind that Indian businesses will be among the leaders in building tomorrow's sustainable businesses and associated practices.

Q&A



**What does citizenship mean in the context of GE Capital?
What do you see as GE Capital's main citizenship risks and opportunities?**

For GE Capital, citizenship means delivering consistent financial performance fairly, responsibly and transparently. We've worked to create products and services that meet our responsible lending and environmental standards, to maintain a strong culture of compliance, and to give our employees the training and tools they need to identify risks early. We've also integrated our commitment to transparency into our financial reporting.

In terms of risks, we are a global company, and we work in a constantly evolving social and environmental context. One major challenge is to ensure our standards are not only rigorous, but also adaptable in the ever-changing environment and markets we operate in globally. We are always seeking better ways to identify and manage risk, and we also make sure we have people with the right expertise to help guide our decisions.

Good citizenship makes good business sense. When we underwrite loans and leases, for example, we expect GE will have a relationship with that customer throughout the life of the loan, and ideally beyond. We have a stake in our customers' success. It is important that we know our customers well, and that our customers understand the products and services we provide. Our responsible lending standards help us do just that.

Given the loss of trust in the global financial services sector over the past few years, what has GE Capital done to integrate ethics and responsibility in the way it develops, markets and services its core consumer products?

Before the financial crisis, our Retail Finance and Global Banking businesses had started work on a set of global responsible lending standards to guide the way we develop and market consumer products worldwide. The principles behind them are simple—we want to offer customers suitable products at market-appropriate rates. We want to use straightforward, simple language and disclose information about fees and interest rates so our customers can make informed decisions. In 2010, we expanded these standards, and made them applicable to all our banking products and services, including deposits, securities and investments, and payment and account-keeping services.

How do you integrate environmental, social and governance criteria into your financial products and investment decisions?

We promote responsible financing first and foremost by requiring compliance with local law. We've developed strong in-house legal and environmental expertise to help guide our decisions, and to make sure we are meeting industry best practice.

Environmental, social and governance concerns can be especially acute when we are considering project finance in developing countries. When we finance projects in developing countries, we follow the Equator Principles in order to promote compliance with local law and international norms like the World Bank environmental guidelines. We look for opportunities to partner with government organizations that have strong environmental, social and governance values, such as the U.S. Export-Import Bank, the International Finance Corporation and the European Bank for Reconstruction and Development. Working with groups that place strong values on environmental, social and governance criteria helps reinforce our commitment.

How do you provide the right kind of training and incentives to ensure that decisions made globally are consistent with GE's values and citizenship commitments?

Our sales, risk and legal teams receive regular training to ensure any employees involved in making new loans and managing our portfolios understand key legal requirements and are familiar with GE's best practices and standards. In each of our businesses, we have experienced leaders in place to provide guidance on environmental, social and governance issues. These leaders have a minimum of 15 years' experience in the environmental and social area, and are recognized leaders in their profession.

Q&A



Emerging from the downturn is a priority: How can we best ensure that this recovery is green and does not resurrect the economic and social habits that drive unsustainable economies?

We must not forget the basic lesson that using capital needed for future investment to pay for consumption today is not sustainable. This is as true for national economies as it is for household budgets, and it is as true for natural resources as it is for finance. We cannot continue to consume exhaustible resources, whether it is fossil fuels or clean air, more quickly than we replenish them through innovation.

Coming out of the recession, businesses have an opportunity to shift toward sustainability. Corporations are no longer in a state of emergency; U.S. businesses are lean and profitable, with healthy balance sheets and a relatively low level of debt. Now is the time to relaunch investment and to build the industries of the future. We must take a long-term view and develop products and services that can bolster the sustainability of the overall economy.

Some skeptics say that U.S. and China success is a zero-sum game. Of course, GE is a major player in both countries. Can you give your view on this argument?

International trade brings benefits to all sides. When the U.S. imports goods from China, consumers benefit from lower prices and greater affordability. Resources are freed up that can be devoted to producing different goods and services in the U.S. At the same time, economic growth in China also translates into stronger demand for U.S. products. GE's involvement in China and China's involvement in the U.S. are therefore complementary. By contributing to investment and innovation in both of these major countries, GE helps make the global economy more resilient, to the benefit of both countries.

The painful reality experienced by workers laid off when industries shift, however, feels very different from this economic analysis of the mutual benefits of globalization. People must find new jobs, sometimes move to new cities, sometimes retrain—and all this is harder for older workers. Enabling people to make the transition depends on fostering education, innovation and investment, to ensure that economies remain flexible and capable of seizing new opportunities.

Smart public policies are important in advancing sustainability in business strategies and practices: What would be on your wish list for a policy agenda from this perspective?

Government has a crucial role to play in leveraging the creativity and strength of the private sector. Businesses respond to incentives. Exhaustible resources remain overused because the damage to the environment caused by their consumption is not reflected in their price. At the same time, companies do not invest sufficiently in research and development in areas such as alternative energy, which would benefit the whole economy. Governments can help to correct these market failures through tax and price incentives, to unleash private-sector innovation and investment.

GE firmly aligns its business strategy with sustainability issues. Do you see a time when economic and environmental realities mandate that each company integrate sustainability into its business practices in order to be successful?

That time is approaching fast. The rapid economic growth of large emerging markets is driving demand for raw materials, and this is already being reflected in rising commodity prices. These price rises are a warning signal that is flashing red, telling us that for people in China and India to fulfill their aspirations for a better life, we will all need to become hugely more efficient in the way we use natural resources. Economic factors like prices are becoming more and more aligned with environmental factors, putting inescapable pressure on business. The companies that recognize this inexorable trend, and invest ambitiously in sustainability innovation, have the greatest chances of success in coming decades.



In the 1890s, Founder Thomas Edison sold GE's first lightbulbs. Back then, in order to pay for an hour of light powered at the equivalent strength of today's 100 watts, the average worker would have to work a full hour. By 1960, the time period decreased to a mere eight minutes. And by 1992, it was down to less than a second when using a compact fluorescent bulb.

GE is proud of the part that Edison played in this energy revolution making lighting cleaner, safer, cheaper and brighter. We continue today to innovate to drive up quality and efficiency, and improve affordability in our core technologies. But Edison was just one in a long line of innovators, and the story of their breakthroughs was not only one of "inspiration and perspiration," but of wider policy frameworks supporting research and education, open trade and commerce.

Over the past 30 years, while technology has been reinvented in areas such as telecommunications and healthcare, it has hardly budged in energy. Most of the technologies that underlie existing energy and transport systems remain those that were invented

decades ago. They are increasingly brittle, and incompatible with the need to support a clean future.

Today businesses, scientists, societies and governments face the challenge of kicking off another energy revolution—to reduce dependence on the fossil fuels that contribute to climate change, radically improve the energy, water and resource efficiency of every industry and determine whether it is possible, affordable and safe to capture and store carbon dioxide. As with the first industrial revolution, this will create jobs, but also require new skills and ways of thinking within and between companies and nations. As with the shift from candles to oil, to gas, then to electric lighting, it must also enable better lives for more people.

GE provides technologies for every kind of energy production, including coal, oil and gas, nuclear, wind, solar and hydro and biomass, as well as energy distribution and use. There is a clear opportunity to develop and deploy new technologies that are more efficient, secure and clean in each of them.

How can we use less and do more with rare earth minerals?



Rhenium Reduction Program
www.gecitizenship.com/rhenium-reduction-program

Fossil fuels like coal, oil and natural gas are projected to be a large portion of our energy mix for decades to come. Therefore GE is committed to developing new, cost-effective technologies for reducing greenhouse gas emissions and other environmental impacts. The demand for energy means that unconventional sources of oil and gas, such as oil sands, shale and coal seams, are increasingly being utilized. We believe these fuels can be used as part of the overall energy mix, but innovation is needed to reduce the CO₂ emissions associated with the process of extracting and upgrading the oil and gas, and to improve the use and treatment of water used. We are collaborating with leading universities, researchers and water quality experts to develop solutions.

These kinds of technology collaborations are supported in part through GE's ecomagination initiative. Ecomagination represents GE's commitment to deliver new cleaner products and technologies to market for its customers and society. It is a business initiative to create value by enabling our customers to cut costs, improve quality and reduce their own environmental impacts, and by reducing our own environmental footprint at the same time. Having invested \$5 billion in ecomagination R&D in the first five years, last year, we set new ambitious targets:

- Invest \$10 billion in green R&D over the next five years
- Grow ecomagination revenue at twice the rate of the Company's growth
- Improve our own energy intensity by 50% by 2015
- Reduce GHG emissions by 25% by 2015
- Reduce our freshwater use by 25% by 2015

Ecomagination products make up a large part of our industrial product portfolio, and have been developed by most GE businesses. They range from home appliances to aircraft engines, from water filtration to high-speed rail engines and to loans for energy-efficiency investments. In 2001, GE Capital Real Estate launched a new ecomagination solution—ArdenACCESS—which uses smart-building technology to monitor and reduce energy use in commercial buildings. In 2010, ecomagination sales grew to \$18 billion, and now account for 12% of our revenues.

Ecomagination is a business response to the needs of industries and consumers around the world. In countries built on 20th-century infrastructure, the challenge is to transform. In emerging economies it is to “leapfrog,” building new infrastructure with the most efficient solutions. In China, ecomagination sales now account for 18% of the business. In the Middle East, GE has built its first ecomagination Center in what aims to be the world's first carbon-neutral, zero-waste city—Masdar (Abu Dhabi), one of the world's most sustainable communities. It showcases wind, solar and other renewable energies, the “Smart Grid,” and water-purification technology and energy-efficient home appliances.

One thing we have learned through our own work to reduce GE's energy and water footprint is that it cannot be done through top-down processes alone. It is about enabling people to find solutions. Within GE, we enable this process through site-by-site

How can we reduce the impacts of our products across their whole life cycle?



Design for a Healthy Planet
www.gecitizenship.com/design-for-a-healthy-planet

“Treasure Hunts,” where employees use their own knowledge and experience to discover savings opportunities and determine the best solution together with experts. It is a process that builds on the “Kaizen” technique of Lean Manufacturing, which was first translated to energy use by Toyota. It is also one that we are now sharing beyond our own facilities. In the U.S., in collaboration with the Environmental Defense Fund (EDF), we are supporting companies, universities and even entire cities in conducting their own Treasure Hunts. We are also piloting the Treasure Hunt process with some of our suppliers.

As part of the search for bottom-up innovation, in 2010, we launched the \$200 million ecomagination Innovation Challenge. The first round focused on smart grid ideas, with almost 4,000 ideas submitted from 150 countries. The five winners were each awarded \$100,000 to develop their ideas on creating a smarter, cleaner, more efficient electric grid. Announcing the results in November 2010, GE, along with its venture capital partners, also unveiled new investments totaling \$55 million in promising power grid technologies. The second round of the challenge, opened in early 2011, is focused on home energy efficiency.

How did GE achieve a world's first in the use of sugarcane-ethanol?



The Power of Sugarcane-Ethanol
www.gecitizenship.com/the-power-of-sugarcane-ethanol

DILEMMA: Are we going fast enough and far enough?

GE has set ambitious targets for growing sales of ecomagination products and for cutting our own environmental impacts. These are business targets like any other, aligned with our planning and investment cycles, not aspirations without accountability. They are viewed as aggressive, stretch goals within the business; significant challenges requiring investment and action at every business and site.

But does it add up? Is it enough? The short answer is no, it is not.

The global challenge of providing reliable, affordable, accessible and clean energy to people around the world, and to do this within the limits that would prevent catastrophic climate change, is just too great for companies acting on their own. Without certainty about what the market will look like in years to come, no business is able to invest enough in the breakthrough technologies needed for energy system transformation.

GE supports development of market-based programs to slow, eventually stop, and ultimately reverse the growth of greenhouse gases. To accelerate innovation it is crucial that governments send the right signals and create demand for clean technologies. Although there was some encouraging progress at the international climate change negotiations in Cancun in 2010, the commitments of the world's governments do not yet provide the loud, long, legal signals needed.

How can companies encourage employees to save energy, reduce waste and save money?



Treasure Hunts

www.gecitizenship.com/treasure-hunts

To be successful, "green" products need to be better for customers and for the environment. To be equally successful, public policies for low-carbon growth need to deliver both economic and social benefits. Globally, GE advocates for governments to put in place strong, smart policies to enable energy transformation. We have been working over many years in partnership with groups such as the World Business Council on Sustainable Development, the World Energy Council and the U.S. Climate Action Partnership to show how economic and environmental ambitions can be combined. In 2010, Jeff Immelt helped to found the American Energy Innovation Council, with other business leaders, to advocate for a national energy policy that promotes the advancement of clean energy. We also contribute to dialogue and action between countries, for example, working with both the U.S. and Chinese governments to develop pilot projects and bilaterally fund centers for clean energy. In this way, we seek to demonstrate in practice how public policies can enable the creation of new green industries, creating jobs, enhancing trade and improving energy security.

The success of GE's approach to energy and climate will not be measured simply by adding up our own energy and carbon savings, or even by counting the energy and carbon saved by our customers. Ultimately the success of our strategy depends on whether we, working with others, create a secure and cleaner energy future.

What role will new supplies of natural gas play in a greener energy system?



The Challenge & Opportunity of Natural Gas

Jeff Fulgham, chief sustainability officer, GE Water and Process Technologies

www.gecitizenship.com/the-challenge-opportunity-of-natural-gas

ELECTRIC VEHICLES

We are working hard on electric vehicles in the U.S., a key industry of the future. We believe that by 2040, 75% of the vehicle miles traveled in the United States should be electric miles. This would deliver cleaner air and cheaper transport, and would significantly contribute to cutting both carbon emissions and oil imports, as well as creating jobs and export opportunities.

GE has invested in the batteries, charging stations and smart grid technologies needed to power a mass market of electric vehicles. At the same time, we are also using our own purchasing power to help create this market, by switching half of our 30,000-car fleet to electricity, as well as offering fleet financing for electric vehicles to our customers.

But getting a critical mass of electric vehicles onto the road requires a simultaneous shift by drivers, investors, fleet managers, manufacturing and servicing industries, electricity suppliers and distributors. It therefore requires coordinated public policies. We are working with other leading businesses, through the Electrification Coalition, to advocate for a road map of policies in the U.S. to enable the industry to flourish.



Healthcare is a global problem, but one that doesn't lend itself to global solutions. Every region faces different health challenges and every country has different systems for ensuring their citizens are able to access the healthcare they need.

Everywhere around the world three things are common to the healthcare challenge: the need for quality care that is accessible to more people at an affordable price. In Europe there is universal access to healthcare, but some feel the quality of care is not adequate. In China, the main problem is access, with 300 million people outside of the healthcare system because they can't afford the doctors' fees. In the U.S., it is the high cost of healthcare that is causing most concern.

GE strategy is driven by meeting patient and healthcare providers' needs, with a step-change in quality, access and cost. To do this, GE Healthcare takes an in country-for country approach, investing in local R&D teams to design products that work in each environment and to keep them working even in challenging environments.

Over the past year, we have launched the Brivo range of baby warmers, CT scanners, digital X-rays and MR systems. Designed to be easy to use and robust, they take advantage of the advances

found in the high-end machines but with capabilities suited for use in emerging markets at a price point appropriate for those markets.

In China alone, there are 80,000 smaller hospitals and clinics that lack modern equipment. GE already has approximately 1,000 engineers working on product development in China, who work with government to understand their priorities and inform their policies. In 2010, we hired and trained 500 new sales representatives to serve 12,000 of these hospitals.

Sometimes what is needed to solve health challenges is not a healthcare product at all. In many countries, the biggest vector for the transmission of disease is dirty water. In other places, the problem is that hospitals lack reliable energy supplies. In other cases it is capital to invest in cost-saving solutions.

Healthymagination is a business initiative that brings all of GE's businesses together in a six-year, \$6 billion commitment to deliver better care to more people at lower cost.

Our healthymagination commitments are to, by 2015:

- Invest \$3 billion in R&D, \$2 billion in finance and \$1 billion in technology and content
- Launch 100 innovations that lower cost, increase access and encourage innovation for all, and improve quality by 15%
- Work with partners to focus innovation on critical needs for efficient technologies, healthcare information technologies, broader access and consumer-driven health
- Increase the value gap between our own healthcare costs and healthcare earnings
- Engage and report on our progress

Can GE help to reduce infant mortality around the world?



A Commitment to Sustainable Improvements in Infant Survival Rates

www.gecitizenship.com/a-commitment-to-sustainable-improvements-in-infant-survival-rates

Within GE Healthcare, the healthymagination principles of cost, equality and access have been adopted across the board. This ensures that every product or solution developed starts from customers' problems and measurably improves care. Every product, not just those seeking healthymagination certification, has to demonstrate clear clinical and economic improvements over existing products.

GE's philanthropic work also supports these same goals. Developing Health™ is GE Foundation's \$50 million program providing grant funding and volunteer support to non-profit health centers in the United States, while in countries such as Ghana, Cambodia, Indonesia and Honduras, Developing Health Globally™ (DHG) is investing in upgrading the capabilities of rural district hospitals. The goal of both programs is to improve healthcare delivery for vulnerable people. The programs draw on GE products, expertise and employee engagement to provide a sustainable solution, including training in parts and after-installation service. In turn they have provided a valuable lesson for GE on what it takes to solve healthcare problems in the most challenging environments.

GE has so far invested \$1.3 billion in healthymagination research and launched 43 validated products. Many of these are low-cost medical products in the Brivo™ DR-F range.

In 2011, the first non-healthcare product received healthymagination certification. It was developed jointly with Innovative Water Technologies, a Colorado-based, privately owned business that had been a licensed distributor and installer of GE's formerly owned Hometown water filtration system. It was a key product following the Haiti earthquake, when GE's disaster response team identified water purification as a vital priority.

The in country-for country approach also informs GE's engagement with governments on health issues. There are some overarching principles that we advocate for, such as making better use of data, concentrating on prevention and on early detection, and allowing international trade and markets to prevail to reduce costs and enable more creative healthcare solutions to be found. However, much of our health policy advocacy is tailored to solving problems in particular countries.

Game-changing solutions are needed that alter the way health services themselves are delivered. More isn't always better. For example, the U.S. spends well above the average of other wealthier countries on healthcare, but has only average results. Russia provides hospital beds and doctors at the highest levels, but its citizens' health is well below average, while Chile spends the same percentage of its GDP on a smaller number of hospitals and doctors but has a healthier population.

Better health starts well before people seek medical treatment. It is critical to arm people with more knowledge so they can take preventative steps sooner. In the U.S., healthymagination is backed by a consumer-facing campaign sharing imaginative ideas and developing mobile apps to encourage healthy eating and exercise. Through our HealthAhead program, we engage GE employees, retirees and families in creating a culture of health at work. The goal is that all our sites with more than 100 employees will be certified as healthy workplaces by 2012. To meet this requirement each site must demonstrate a wide-ranging package of measures, from instituting a tobacco-free campus to providing healthy food and nutritional information in cafeterias and vending machines, as well as employee health risk counseling and screening. To date, 17% of GE sites with more than 100 employees have been HealthAhead certified in 2010.

We also believe that hospitals and healthcare systems can be made much more efficient. We have developed business solutions for managing hospital assets, and for helping hospitals to organize, measure and manage healthcare delivery. We have also launched a partnership with Intel providing solutions for home monitoring. This allows patients to be released earlier from hospitals, and to have daily check-ups without going to the physician's office, getting real-time feedback to help them manage their own condition.

DILEMMA: Can we reach the bottom of the pyramid?

Every country in the world is now party to at least one human rights treaty that addresses health-related rights. The Universal Declaration of Human Rights states that everyone has the right to a standard of living adequate for the health and well-being of themselves and their family, including medical care. And yet two billion people worldwide do not have access to primary care or clinics, while 100 million people are impoverished each year as a result of healthcare spending.

Healthymagination is GE's response to the affordability challenge. It takes us out of the realm of the world's capital cities to cities, towns and villages that are poorly served.

This is a new market for GE. We expect to be able to double our sales every year for the next few years as this market grows and we introduce more products across more of our businesses.

The key question for our social impacts is whether we can, through our business strategy, make a difference to the health and well-being of people around the world who currently lack effective and affordable healthcare.

Improving healthcare is one of the most complex challenges, involving advanced science, individual behavior change and a complex web of public and private systems that are different in every country.

Currently, the vast majority of donor aid and public spending on healthcare in developing countries is directed towards infectious disease. But chronic diseases, such as diabetes, heart disease, stroke and cancer, are now more common as causes of death, and impact the long-term health and quality of life of millions of people.

Can the success of global healthcare campaigns be replicated for chronic diseases?



The Chronic Disease Challenge

Rachel Nugent, deputy director, Global Health, Center for Global Development

www.gecitizenship.com/the-chronic-disease-challenge

Can hospitals help to make a healthier environment?



Continuing to Reduce the Environmental Impact of Medical Products

www.gecitizenship.com/continuing-to-reduce-the-environmental-impact-of-medical-products

A key technology focus area for GE is the high-tech diagnostic equipment that enables disease prevention and early treatment. Innovation in our products and services can make diagnostic technologies more accessible and affordable, but to really make a difference, they need to be part of a system for effective treatment. For example, while breast cancer screening systems can now be installed in trucks to create mobile clinics, women must be referred to a specialist hospital unit for treatment. In many countries, this is only available in the capital city and is not affordable.

GE is working with governments and NGOs in many countries to understand and address the healthcare challenges of managing and treating chronic disease. We believe it is an area that should also command greater international attention. Developing and demonstrating the evidence base for how chronic diseases can be treated in low- and middle-income countries are crucial steps toward improving care and treatment. In relation to breast cancer, we are working with the Global Breast Health Initiative to identify guidelines for treatment that can be carried out with limited resources that would enable implementation on a global scale.

We are starting to make inroads into closing the healthcare gap, but there is clearly a long way to go to reach all those who would benefit from better healthcare. Closing this gap depends on technology innovation, but also on governments and international aid donors continuing to invest in healthcare and improving healthcare systems.

CONTRIBUTION AND IMPACT 2010 HIGHLIGHTS

STRATEGY

- In the past 10 years, GE has repositioned its portfolio through divestitures representing 50% of the Company to focus on key global themes such as energy, water and healthcare, and built strength in the core businesses of providing the infrastructure and financial services needed for growing economies.

COMPANY PERFORMANCE

- Earnings expanded by 15% from 2009 to \$12.6 billion, and revenues declined 3% to \$150 billion. In 2010, GE's stock price grew 21%, outperforming the S&P 500 Index, which grew 13%.

REPORTING

- This year's citizenship report takes a 10-year retrospective and includes reflections on our performance and external perspectives on GE's role to advance global sustainability, as well as opportunities for GE in the future.

RESEARCH AND DEVELOPMENT

- In the past 10 years, GE has tripled the amount that is invested in R&D to 6%, and developed local R&D centers in China, India, Germany and Brazil.

ECOMAGINATION

- Ecomagination products and services now total more than 110 offerings, with sales of \$18 billion accounting for 12% of Company revenues.
- Last year, GE launched the \$200 million ecomagination Innovation Challenge and received almost 4,000 smart grid ideas from 150 countries.
- GE launched new ambitious targets for ecomagination aiming to grow revenues from ecomagination products, improve our energy intensity, reduce our GHG emissions and reduce our fresh water usage.

HEALTHYMAGINATION

- GE has so far invested \$1.3 billion in healthymagination research and launched 43 validated products, which provide significant improvements in cost, quality and access to meet patient and healthcare providers' needs.

PRODUCT INNOVATION IN EMERGING MARKETS

- GE's product development model takes an in country-for country approach to introduce innovative products suitable for emerging markets that are significantly more efficient, and available at lower price points.
- Over the past year, GE has launched the Brivo™ DR-F range of babywarmers, CT scanners, digital X-rays and MR systems that

combine the advances of high-end machines with capabilities and costs suited for emerging markets.

SUPPLY CHAIN

- In 2010, our assessment process identified over 12,500 findings at approved suppliers. GE requires suppliers to address all findings in a reasonable period and tracks closure in an automated database. As of February 15, 2011, approved suppliers have closed more than 95% of all findings since 2002. Types of findings include health and safety, environment, emergency preparedness, labor or human rights.
- GE hosted a supplier summit in Shanghai, bringing together global EHS professionals, sourcing quality and audit teams, peer companies and government officials to share experiences and discuss challenges in securing better working conditions.

PUBLIC POLICY

- GE promoted public policies that support trade liberalization, innovation-stimulating intellectual property rights, and advancement of clean energy.
- Jeff Immelt helped to found the American Energy Innovation Council with other business leaders to advocate for a national energy policy to promote the advancement of clean energy.

HUMAN RIGHTS

- Human Rights Champions were identified at each GE business to issue Human Rights Risk Assessment processes and report any risks and abatement plans.

WATER

- GE continued to make progress on its water goal by reducing water use by 30%. During 2010, GE continued to drive its strategy by working with those sites that dominate GE's water use footprint.

GREENHOUSE GASES AND ENERGY REDUCTIONS

- GE reduced greenhouse gas emissions by 24% compared to the 2004 baseline. GHG and Energy Intensity have been improved by 37.4% and 33%, respectively, since 2004.

COMMUNITY

- The GE Family contributed more than \$250 million in cash and product to support important community programs around the world, impacting millions of people in the areas of healthcare, education and the environment.

JOB CREATION

- GE has committed to creating 6,500 new manufacturing jobs in the U.S. through infrastructure investments in a low-carbon future.

To review the full text and data for each of our priorities, please visit www.gecitizenship.com/our-commitment-areas. GE's comprehensive approach to corporate citizenship is as diverse and far-reaching as our organization. We categorize our citizenship efforts according to a range of priorities, as shown here. As mentioned in "About This Report," the full scope of performance data and progress against commitments and targets is also available on our Web site. This summary provides an overview of the content and data that are available in more detail online.



OUR PEOPLE

www.gecitizenship.com/our-commitment-areas/our-people
With nearly 300,000 employees working across 100 countries, GE works hard to meet its responsibilities for the health and safety of its people. Founded upon the imagination, intelligence and curiosity of its employees, GE depends on its people to drive business growth and strengthen its leadership position in the global marketplace.

In addition, GE continues to invest in leadership and development training. To attract, retain and bring out the best in its people, GE offers challenging, rewarding careers through which employees are able to continuously learn—growing their personal and professional capabilities, as well as GE's ability to excel.



OUR COMMUNITIES

www.gecitizenship.com/our-commitment-areas/our-communities-impact

Inspired by the dedication of our employees, GE strives to make a positive, sustainable impact on the development of stronger and more self-reliant communities around the globe.



COMPLIANCE & GOVERNANCE

www.gecitizenship.com/our-commitment-areas/compliance-governance

The GE commitment to perform with integrity is instilled in every employee as a fundamental expectation. This expectation is guided by our integrity policy, The Spirit & The Letter, and is underscored by an extensive system of policies, processes, training and communications that contribute to the operational excellence of GE's citizenship platform.



PUBLIC POLICY

www.gecitizenship.com/our-commitment-areas/public-policy

The advancement of global policy initiatives is an important activity for organizations large and small. In GE's case, the motivation for such an endeavor goes beyond the commercial. By furthering discussion in such areas as trade, energy, healthcare and human rights, GE is able to share best practices while gaining new knowledge around solving the world's biggest problems.



OUR SUPPLIERS

www.gecitizenship.com/our-commitment-areas/our-suppliers

GE expects suppliers to obey laws that require them to treat workers fairly, provide a safe and healthy working environment, and protect environmental quality. In 2008, GE expanded its supplier review program to encompass freedom of association, discrimination and harassment in line with GE's Statement of Principles on Human Rights. The Company also conducted a thorough program review and is currently piloting program refinements designed to encourage GE's suppliers to adopt their own management approach to ethical business issues.



HUMAN RIGHTS

www.gecitizenship.com/our-commitment-areas/human-rights

GE views respect for human rights as a fundamental part of responsible corporate citizenship.

Human rights concerns touch GE's sphere of influence in many ways, whether they involve issues with suppliers or the intersection of our water business with the human right to that resource.



OUR PRODUCTS & SERVICES

www.gecitizenship.com/about-citizenship/our-impact/products-services-issues

From infrastructure projects and entertainment programming to consumer finance products and nanotechnology, GE takes a 360-degree perspective of the impact our products and services can have on the environment, the economy and society.



OUR CUSTOMERS

www.gecitizenship.com/our-commitment-areas/our-customers

Customers are becoming increasingly important collaborators in the product development cycle. As the marketplace grows more dynamic and interdependent, GE understands that the success of our customers complements our own.



ENVIRONMENT, HEALTH & SAFETY

www.gecitizenship.com/our-commitment-areas/environment-health-safety

Applying world-class environment, health and safety (EHS) expectations in its operations, GE's leaders are responsible for maintaining compliance and reducing the Company's environmental footprint, while also ensuring the health and safety of GE's nearly 300,000 employees around the world. Trained in programs that reduce not just greenhouse gas emissions and water use, but also workplace illness and injury, EHS experts employ operational tools, training and processes that drive accountability and deliver the best results.

GE also works with its suppliers to ensure that they provide a safe and healthy workplace for their own employees and meet GE's Supplier Expectations (www.gecitizenship.com/our-commitment-areas/our-suppliers).

CONTRIBUTION AND IMPACT
PERFORMANCE AGAINST COMMITMENTS

Each year, we make commitments to help us drive progress and accountability. Below is a summary of progress against our 2010 commitments, defined by priorities.

OUR PEOPLE

2010 Commitments

Progress

2011 Commitment

healthymagination: Provide an update on GE's internal HealthAhead Work Site certification program:

- Report percentage certified as HealthAhead sites globally
- All GE sites with more than 100 employees to achieve HealthAhead certification by 2012

17% of all GE sites with more than 100 employees were HealthAhead-certified in 2010.

We expect over 90% of all GE sites with more than 100 employees to be HealthAhead-certified by the end of 2011.

healthymagination: Work toward goal of implementing tobacco-free campus standard globally by March 1, 2011.

More than 120 sites are currently tobacco-free campuses. As we have worked with sites around the world and understand how challenging this lifestyle change can be, we have made the decision to extend the goal to November 1, 2011. We have also made nicotine replacement therapy available globally at no (or substantially reduced) cost.

Work toward goal of implementing the tobacco-free campus standard globally by November 1, 2011.

healthymagination: Drive better employee health globally through HealthAhead programs:

- Reduce U.S. health-related absences by 2%
- Limit to a 3% U.S. healthcare annual cost increase or less
- Increase in U.S. preventive screening rates

- Reduced by 1%
- Double-digit cost reduction in 2010
- Increased breast cancer screenings by one point and maintained high utilization rate for other screenings (U.S. only)

- Continue efforts to decrease U.S. health-related absence
- Develop pilot programs to reduce health-related absence outside the U.S.
- Strive to limit the annual increase in U.S. healthcare cost

Update on new initiative, "Redefining Crotonville," regarding GE's global leadership development center.

GE has launched new Growth Values that will help inform the curriculum for Re-Imagining Crotonville. The Re-Imagining Crotonville effort is in three main areas: Content, Experience and Environment (what is taught, how it is taught and where it is taught).

In 2011, we will embed the Growth Values in the Executive Curriculum. We will develop and execute plans for contemporizing the global Crotonville experience and environments where leadership is taught.

GE will review potential metrics associated with global learning opportunities for, and engagement with, employees.

GE Global Learning has launched several new job aids and tools to help employees build skills when and where they are. We have expanded our library of offerings in both content and local languages.

GE will continue to explore metrics that help communicate this commitment to employee development.

Add questions to the 2010 employee survey that provide employees the opportunity to share their perceptions regarding the extent to which they believe the survey is used to make positive change.

Two questions were presented and answered by all survey respondents to evaluate the extent to which the survey is used to produce positive changes:

1. I believe the results of this survey will be used to make positive changes in my team
2. I believe senior leaders in my business will take action based on the results of the survey

Administer an employee opinion survey at the end of the third quarter to a representative sample of GE employees.



Work with EPA to use Phase I experience to improve Phase II of the Hudson River dredging project.

+ SEE EHS ON PAGE 37 FOR MORE DETAILS

COMPLIANCE & GOVERNANCE

2010 Commitments

Continue to strengthen our compliance processes and culture in remote sites.

Progress

- To assist in these efforts, GE performs an annual risk assessment for approximately 1,500 sites based on common internal and external risk indicators. GE businesses and the Corporate Audit Staff partner to review these risk assessment results and develop site audit plans. Additionally, sites identified as having an elevated level of risk are required to complete a comprehensive compliance and financial controls self-assessment addressing controls in key areas. Self-assessment and audit results are monitored by business controllers and periodically summarized and reviewed with the GE Controller and Policy Compliance Review Board.

2011 Commitment

- *Continue to strengthen our compliance processes and culture in remote sites*

Continue to drive regulatory excellence on government contracting processes.

- Completed a detailed Government Business Resources and Capabilities Assessment across all GE businesses doing business with U.S. federal, state or local government agencies, based on government and GE policies and the GE Government Business Process Standards
- Conducted a comprehensive CAS-led audit of all U.S. government Federal Supply Schedule contracts. These contracts serve all U.S. government agencies and represent a unique opportunity for GE products and services, but come with particularly complex compliance requirements
- Conducted a comprehensive training program touching more than 1,100 employees engaged in the management of these government contracts to ensure they are well-equipped to maintain knowledgeable and active oversight
- Provided additional training associated with the unique requirements of Recovery Act-funded business with federal, state or local governments, training more than 800 employees on key Recovery Act-related compliance requirements
- Reviewed stimulus-fund contracting activities in Europe, the Middle East and Africa, as well as in key countries where stimulus funds represent potential opportunities for GE

Maintain our focus on reporting and resolution of concerns, and the ombudsperson process.

- Policy concerns up 4% year over year...we view an increase year over year as a positive indication of an open reporting environment
- Ombuds Team training and education + OmBits publication (up-to-date internal Web-based site for Ombuds team worldwide)
- Regional group meetings and open roundtable discussions with employees across all levels
- New videos featuring Ombuds and Deputy Ombuds; Business-led case study video(s) with a focus on "no retaliation"

- *Realign and strengthen compliance and Ombuds teams to reflect global business restructuring*
- *Adapt processes and procedures to address Dodd-Frank whistleblower law*
- *Focus on monthly reviews of concerns raised and on lowering further the current average days to close of an investigation*

CONTRIBUTION AND IMPACT
PERFORMANCE AGAINST COMMITMENTS

PUBLIC POLICY		
2010 Commitments	Progress	2011 Commitment
Support the adoption of public policies that strengthen the global economy and the global trading system.	On numerous occasions, GE senior officials spoke publicly in support of trade liberalization through bilateral, regional and multilateral fora, and against public policies that inhibit trade (including "forced localization" programs).	Support the adoption of public policies that strengthen the global economy and the global trading system.
Advocate for public policies that encourage technological innovation.	Advocated directly and through industry consortia for (i) strong innovation-stimulating intellectual property rights protection in climate change talks and in trade liberalization agreements; and (ii) R&D and other public policies that support innovation.	Advocate for public policies that encourage technological innovation.
Seek to promote the rule of law, particularly in the developing world, where strong rule of law disciplines are critical to economic development.	Promoted transparency and rule of law globally, including targeted programs in Vietnam, China and Argentina.	Seek to promote the rule of law, particularly in the developing world where strong rule-of-law disciplines are critical to economic development.
Provide update on GE's position as it relates to global healthcare reform.	In consultation with GE Healthcare's Global Government Relations team, no changes were deemed necessary to GE's current viewpoint on healthcare reform, found at http://www.ge.com/news/our_viewpoints/healthcare_reform.html .	Provide update on GE's position as it relates to global healthcare reform.
Commit to publicizing renewable-related stimulus programs in which GE is active.	As standard practice, our press releases announcing new GE projects include information on how the GE product or service directly supports the customer's clean energy and water-related policy objectives. For additional information: http://www.gepower.com/about/press/en/index.htm .	Address the world's energy and environmental challenges.
Continue to focus on regulatory change.	Engaged in public fora in the United States and abroad on regulatory changes, including in areas of financial services, healthcare, energy, environment, tax, trade and transportation.	Continue to focus on regulatory change.
Provide update on GE's position as it relates to climate-change legislation.	GE supported Congressional climate and energy legislation in 2010, but that legislation was not enacted into law. GE supports a national energy policy that effectively promotes a shift of our nation's energy mix toward cleaner energy options such as renewables and natural gas-fired power plants. In addition, the deployment of large numbers of electric vehicles holds the potential to dramatically reduce national dependence on imported oil.	

Committing to ecomagination product revenues growth at twice the rate of GE's overall revenue between now and 2015.

+ SEE PRODUCTS AND SERVICES ON PAGE 38 FOR MORE DETAILS



ENVIRONMENT, HEALTH & SAFETY

2010 Commitments	Progress	2011 Commitment
Work with EPA to use Phase I experience to improve Phase II of the Hudson River dredging project.	Worked with EPA to modify project standards and design to allow more efficient implementation of Phase 2 of the dredging project. As a result, GE agreed to implement the remainder of the Hudson River Dredging Project.	Perform the first year of Phase 2 of the Hudson River Dredging project.
25% reduction in environmental exceedances and spills	In 2010, wastewater exceedances increased over 2009 due to exceedances of sanitary wastewater and air emissions. Industrial wastewater exceedances comprised only half of the total wastewater exceedances recorded. Air exceedances also increased over 2009. Reportable spills and releases decreased by more than 50%.	GE continues work toward identifying the root cause of air and water exceedances and implementing robust corrective actions to prevent recurrence. In 2011, GE will reduce wastewater and air exceedances by implementing programs focused on reducing sanitary wastewater exceedances and enhancing environmental framework execution.
Continue to enhance onboarding and professional development opportunities for EHS professionals globally.	During 2010, the EHS leaders within each of GE's major growth regions developed approaches for professional development and onboarding. Leadership program participants were hired in Brazil and China, two of GE's significant growth areas.	Continue to implement professional development programs in GE's growth regions: China, Brazil, India and the Middle East. Support established programs in Mexico and host a cross-business professional development event in the United States.
Continue long-term GHG and energy use reduction trend and drive to the following goals: <ul style="list-style-type: none"> • 50% improvement in energy intensity by 2015 (2004 baseline) • 25% reduction in GHG emissions by 2015 (2004 baseline) 	GE continued to make progress on these goals; GHGs were reduced by 24% and energy intensity improved by 33% from the 2004 baselines. During 2010, GE hosted its first-ever Forum on Industrial Energy Efficiency, and devised a strategy to drive GHG and energy use reduction in GE's business units.	Engage business leaders in driving GHG and energy intensity use reductions. Implement an ecomagination scorecard for GE's internal environmental footprint against which activities that drive the goals will be measured.
Continue long-term water use reduction trend and drive to the following goal: 25% reduction in freshwater use by 2015 (2006 baseline).	GE continued to make progress on its water goal by reducing water use by 22% from its 2006 baseline. During 2010, GE continued to drive its strategy by working with those sites that dominate GE's water use footprint.	Implement water Kaizen Blitz events at GE's top water-using locations. Drive the use of GE's measurement and treatment technology in water-using operations.
Zero work-related fatalities	Three work-related fatalities	Zero work-related fatalities
15% reduction in recordable injuries and illnesses	3.5% reduction	15% reduction
15% reduction in lost-time cases	10.9% reduction	15% reduction
Explore solutions to prevent high-severity infrequent events.	Human and organizational performance concepts, which have been utilized for years in high-performance industries, hold promise for reducing high-severity and infrequent injuries, and are being piloted in various businesses.	Plans for 2011 include more extensive training and follow-up with the businesses that are piloting human and organizational performance techniques, as well as integrating these concepts into our existing management systems.
Add 20 new VPP/Global Star sites.	11 new VPP/Global Star facilities	20 new VPP/Global Star sites
Zero fines	Fines paid were \$78,021.	Zero fines
100% completion of required training	98% training completed	100% completion of regulatory required training

CONTRIBUTION AND IMPACT PERFORMANCE AGAINST COMMITMENTS

OUR PRODUCTS & SERVICES		
2010 Commitments	Progress	2011 Commitment
Increase transparency of GE Capital financial reporting by establishing a regular rhythm of communication with external stakeholders.	<ul style="list-style-type: none"> Enhanced transparency in 10K/10Q reporting by consolidating specific off-balance sheet assets in compliance with FAS 166/167, and by providing further credit quality disclosures reflecting the strength of the GE Capital portfolio Continued to provide quarterly supplemental data, including segment-level financials and asset-quality metrics, in addition to earnings reports Maintained a systemic operating rhythm with regulatory and rating agencies 	Increase transparency of GE Capital financial reporting by continuing a regular rhythm of communication with external stakeholders.
Committing to ecomagination product revenues growth at twice the rate of GE's overall revenue between now and 2015.	While GE's overall revenue was down 3% in 2010 vs. 2009, ecomagination products and services remained at \$18 billion.	Committing to ecomagination product revenues growth at twice the rate of GE's overall revenue between now and 2015.
Starting in 2010, GE commits to doubling, to \$10 billion, its research and development investment in ecomagination over the next five years versus the previous five years.	GE continues its strong ecomagination R&D commitment by investing \$1.8 billion in development of cleaner, more efficient technologies.	Starting in 2010, GE commits to doubling, to \$10 billion, its research and development investment in ecomagination over the next five years versus the previous five years.
By 2015, GE will improve the energy intensity of its operations by 50%, and will reduce its absolute GHG emissions by 25% (both using the 2004 baseline).	GE continued to make progress on these goals: GHGs were reduced by 24% and energy intensity improved by 33% from the 2004 baselines. Appliances & Lighting is transitioning all refrigeration to utilize cyclopentane over the next two years (completion 2012). The cyclopentane change in our factories will eliminate the number 1 and 3 of the top eight GHG emission sites for GE.	By 2015, GE will improve the energy intensity of its operations by 50%, and will reduce its absolute GHG emissions by 25% (both using the 2004 baseline).
Continue long-term water use reduction trend and drive to the following goal: 25% reduction in freshwater use by 2015 (2006 baseline).	GE continued to make progress on its water goal by reducing water use by 22% from its 2006 baseline. During 2010, GE continued to drive its strategy by working with those sites that dominate GE's water use footprint.	Implement water Kaizen Blitz events at GE's top water-using locations. Drive the use of GE's measurement and treatment technology in water-using operations.
Provide product example of "Reverse Innovation" global business strategy.	The Brivo MR355 1.5T magnetic resonance (MR) imaging system makes the diagnostic benefits of high-performance MR technology accessible to a wide range of customers globally. It combines simplification technology with low total cost of ownership and it can be sited in 20% smaller space compared to other full-body 1.5T MR systems. It has been validated by Oxford Analytica, an independent consultancy, to deliver 15% lower total cost of ownership than previous-generation MR systems. Brivo MR355 also can potentially reduce annual energy costs by up to 34% per year, saving up to 60,000 kWh per year compared to previous-generation systems.	
Healthymagination: Invest \$3 billion in research and development to launch at least 100 innovations that lower cost, increase access and improve quality by 15%.	Since our launch, we've made \$1.3 billion in research and development investment progress against our original \$3 billion commitment. Today healthymagination serves as a rallying cry for meaningful innovation to address the world's biggest health issues. It is a call for better products at more price points in more regions; for sustainable delivery models; for cutting-edge technologies.	Healthymagination: Invest \$3 billion in research and development to launch at least 100 innovations that lower cost, increase access and improve quality by 15%.



Continue to contribute one million hours of volunteer service, emphasizing activities in Education & Community Development, Environment and Health. Increase the number of GE Volunteers councils.

+ SEE OUR COMMUNITIES ON PAGE 40 FOR MORE DETAILS

HUMAN RIGHTS

2010 Commitments	Progress	2011 Commitment
<p>In connection with the duty to respect human rights, we will look to enhance due-diligence practices, including consideration of Human Rights Risk Assessments where appropriate.</p>	<p>Working through the Company's Human Rights Champions in place within each business, we encouraged due-diligence processes through checklists and other instruments and have issued guidance on Human Rights Risk Assessment processes. The nature of the GE businesses' initiatives in 2010 did not lead to a full-blown Human Rights Risk Assessment.</p>	<p><i>Look for appropriate opportunities to engage in Human Rights Risk Assessment efforts in 2011.</i></p>
<p>Update on Compliance Review Board and Human Rights Implementation Procedures.</p>	<p>The general counsels of each of the major businesses have identified Human Rights Champions to be responsible for undertaking this due-diligence effort and report any risks and abatement plans to their business' Compliance Review Board (Session D). The rhythm of these efforts varies by business, as do the human rights issues of concern. We convened quarterly telephone calls to share concerns and best practices.</p>	
<p>Advance information governance and privacy goals through enhanced employee awareness in 2010.</p>	<p>In 2010, GE and its Information Governance and Privacy practices continued to expand on their commitment to information governance and privacy as a core value for employees, partners and customers, taking responsibility as a thought leader on these topics both within GE and externally.</p>	<p><i>GE will focus on refreshing standards and implementing guidelines that support its updated Spirit & Letter policy, Privacy and the Protection of GE Information. GE will also continue to take an active role in public discourse on privacy policy and issues of importance in a world of evolving technology.</i></p>
<p>Provide more information on GE's privacy policy as it relates to employee healthcare records and GEHC electronic medical records.</p>	<p>In the area of product use and design, in 2010 GE Healthcare pursued and received certification as a Certified EHR Technology under the American Recovery and Reinvestment Act (ARRA) for its Centricity Advance, Centricity Electronic Medical Records (EMR) and Centricity Practice Solution products. This certification required GE Healthcare's EMR products to demonstrate capabilities to satisfy each privacy and security criterion where technically feasible.</p> <p>The GE Employment Data Protection Committee worked in 2010 to help facilitate the compliant implementation of EHR systems in certain GE employee medical clinics; this work will continue into 2011 as the Company seeks to provide a meaningful combination of provider and employee utility, and employee privacy in these systems.</p>	<p><i>In 2011, GE Healthcare will continue its dedicated efforts to anticipate customer data protection needs and expectations in product and services development.</i></p>
<p>New 2011 Commitment</p>		
<p><i>In connection with the duty to respect human rights, we work with our Global Business Initiative (GBI) partners to develop practices that respond to the final Business and Human Rights Guiding Principles issued by the UN Global Compact. Engage with other GBI members to develop normative due-diligence processes to be used in connection with minority joint ventures.</i></p>		

CONTRIBUTION AND IMPACT PERFORMANCE AGAINST COMMITMENTS

OUR COMMUNITIES		
2010 Commitments	Progress	2011 Commitment
<ul style="list-style-type: none"> • Upgrade capacity at 25 more health centers and hospitals through Developing Health Globally™ (DHG) • Evaluate maternal/infant care impact of DHG program 	<ul style="list-style-type: none"> • 53 sites upgraded/completed, mostly in Rwanda, Cambodia, Nigeria and Mali • Emergency Obstetric Care (EmOC)—partnership with Millennium Villages Project (MVP)—early evidence suggests institutional delivery has increased from 33% to 47% across the first five sites in Uganda, Nigeria, Kenya, Ghana and Malawi. At Ruhiira in Uganda, number of births delivered by skilled health personnel went from 9% to 42%; in Bonsaaso, Ghana, it went from 30% to 61% [MDG metric]. Before the kits were distributed, hospitals lacked basic equipment to treat patients. Doctors and nurses were ready to serve, but lacked the necessary supplies to help those in need. In Sauri, located in western Kenya, a small facility that was once better equipped with EmOC donations was able to serve 200 patients a day—more than a nearby large district hospital • Honduras—39% reduction of infant mortality in the national neonatal intensive care unit at Escuela Hospital. In 2010, infant mortality reduced by 55% at Olanchito and number of assisted births increased by 12% 	<ul style="list-style-type: none"> • Build capacity through upgrading facilities, clinical skill-building and process improvement • Build Ministry of Health (MOH) and hospital biomedical engineering capacity for long-term sustainability • Evaluate maternal/infant care impact of DHG program and effectiveness of DHG models
<p>Continue commitment to the six districts and renew grants to Louisville, Kentucky, and Stamford, Connecticut. Explore opportunities to create business partnerships and expand the program to additional districts. Continue to convene education thought leaders, and work with education advocates to assist in helping all children achieve a good education.</p>	<ul style="list-style-type: none"> • Continued working with six districts, including renewed grants to Louisville, Kentucky, and Stamford, Connecticut • Board awarded \$20.4 million grant to Milwaukee, Wisconsin as the seventh Developing Futures™ in Education (DF) site • Convene and meet with education thought leaders such as Arne Duncan, Common Core State Standards (CCSS) and Assessment writers in Connecticut, Pennsylvania and Wisconsin 	<ul style="list-style-type: none"> • Begin and provide interim report on initial findings of the effects of DF work in all sites • Complete audit reports from six districts and “deep dive” into Milwaukee • Convene at least 30 national/site local businesses in Washington, DC, and at DF 2011 annual conference in Orlando, Florida, to develop partnerships • Publish a document on “The Heart of Reform” that narrates the work of DF • Monitor and assess national public opinion on student and parent involvement in student education • Refine and implement strategic community engagement in each of the seven sites • Refine existing audit and implement • Establish GE Foundation as a leader in supporting CCSS
<p>Direct \$25 million from GE Foundation over three years to expand access to quality healthcare in targeted underserved communities across the United States.</p>	<p>The program awarded \$11.15 million grants in total to 45 health centers in 10 cities. An underserved population of more than 500,000 was impacted. More than 200 events and 5,000 hours have been devoted in terms of pro bono engagement.</p>	<p>Expand to another 32 health centers in 14 cities with a total of \$9.75 million grants. An underserved population of approximately 300,000 is expected to be impacted. More than 200 events and 5,000 hours will be devoted to pro bono engagement.</p>
<p>Continue to contribute one million hours of volunteer service, emphasizing activities in Education & Community Development, Environment and Health. Increase the number of GE Volunteers councils.</p>	<p>Increased volunteer hours by 10% to 1.1 million.</p>	<p>Maintain volunteer level at more than one million hours with divestiture of NBCU.</p>

OUR SUPPLIERS

2010 Commitments	Progress	2011 Commitment
Improve the management system scoring system and select criteria to identify suppliers for which this is an effective approach.	Since 2009, GE has posed management-systems questions to suppliers during on-site assessments. Many small and medium companies had a difficult time implementing the management-systems requirements. We also found that the presence of a management system on paper does not guarantee compliance with environmental health and safety regulations.	<i>In response to these challenges, we are developing a new management-systems approach focused on select suppliers to encourage improvements in their programs over time. This will be piloted in 2011–2012.</i>
Support suppliers with training and other outreach.	In addition to the training GE provides annually, in November 2010, GE partnered with the Institute for Sustainable Communities (ISC), The Guangdong EHS Academy and the WBCSD to train about 100 Chinese suppliers on energy efficiency and greenhouse gas emissions reductions (www.gecitizenship.com/greenhouse-gases-and-ge-supply-chain).	<i>Launch Supplier Partnership Program to engage with specific suppliers on targeted capacity-building efforts.</i>
Continue capacity-building efforts such as the Guangdong EHS Academy and the Mexico Clean Industries program; look for other opportunities to improve supplier capacity.	Continued existing efforts. Included ISC and the Guangdong EHS Academy in GE's Supplier Summit (www.gecitizenship.com/a-supplier-summit-in-shanghai).	<i>Continue capacity-building efforts and look for additional opportunities to partner locally to improve supplier capacity.</i>
Design a due-diligence process to reduce the risk of minerals from conflict mines in the Democratic Republic of Congo (DRC) and adjoining territories entering GE's supply chain.	The GE Foundation funded a multi-industry, multistakeholder, multistrategy forum ("M3 Forum") to pull together the work that all various parties are doing to address the ongoing violence in the DRC and its link to mining. GE has worked with organizations such as the Electronic Industries Citizenship Coalition to institute a program to ensure that smelters eliminate demand for ores from conflict mines, and is designing an internal program to eliminate minerals from conflict mines from our supply chain and ensure that we will be prepared to report to the Securities and Exchange Commission (SEC) under the conflict minerals provision of Dodd-Frank (www.gecitizenship.com/conflict-minerals-and-the-democratic-republic-of-congo).	<i>Complete and implement internal program to:</i> <ol style="list-style-type: none"> <i>1. Mitigate the risk that minerals from conflict mines enter the supply chain; and</i> <i>2. Gather information needed to report to the SEC under the Dodd-Frank Act. Continue to work with industry groups to implement Smelter Verification Program to trace minerals from mines of origin to smelters.</i>

OUR CUSTOMERS

2010 Commitments	Progress	2011 Commitment
Healthymagination: Commit \$6 billion to enable better health, focusing on cost, access and quality.	Grounded in GE Healthcare, GE Water, GE Global Research and GE Capital, we've made progress in achieving our healthymagination vision over the last few years. Since our launch, we have validated 43 healthymagination products, made \$2.2 billion in investment progress against our original \$6 billion commitment and touched more than 234 million lives.	<i>Healthymagination: Commit \$6 billion to enable better health, focusing on cost, access and quality.</i>
Train customers on how to mitigate healthcare privacy issues.	GE Healthcare has developed guidance documents for customers that address healthcare industry data protection/privacy issues and are provided to customers upon request.	
Keep the public and customers informed through the ecomagination report, ecomagination Web site and public engagements.	Ecomagination celebrated its five-year anniversary with a public event on July 13, 2010, announcing new goals making ecomagination a bigger part of GE. Ecomagination.com and the ecomagination annual report continue as our primary communication vehicle.	<i>Keep the public and customers informed through the ecomagination report, ecomagination Web site and public engagements.</i>

GE is committed to maintaining a culture of integrity, transparency, ethics and compliance. Operational excellence means managing social and environmental performance, applying the same performance culture, innovation and talent to these goals as we do to any other business goals.

GE has been working on a companywide initiative known as Regulatory Excellence since 2007. The initiative emphasizes the responsibility of leaders in every business to ensure regulatory compliance, and it has established a common process for managing regulatory risk areas across the Company. To learn more about how we manage our social and environmental responsibilities within the business, visit: www.gecitizenship.com/about-citizenship/our-approach/operational-excellence

The GE Board of Directors oversees the implementation of policies in relation to employees, customers, investors and other stakeholders. GE invests in its employees, spending more than \$1 billion on training each year. Our non-negotiable expectation of employee integrity is articulated in our policy, The Spirit & The Letter, which requires compliance with law and policy relating to vital issues, such as financial integrity and avoiding conflicts of interest. Available in 31 languages, these integrity policies are provided to all of our employees, holding each person accountable for compliance.

Does GE “Bucks, Brawn and Brains” effectively help nonprofits build capacity to better serve their constituents?



Bringing World Class Business Processes to Community Organizations
www.gecitizenship.com/bringing-world-class-business-processes-to-community-organizations

Our strong compliance culture reinforces these efforts by requiring employees to raise any compliance concerns and by prohibiting retribution for doing so. To facilitate open and candid communication, we have about 700 designated ombudspersons throughout the Company who act as independent resources for reporting integrity or compliance concerns. We hold our consultants, agents and independent contractors to the same integrity standards.

GLOBAL RISK MANAGEMENT AND BUSINESS PROCESSES

A disciplined approach to risk is important in a diversified organization in order to ensure that we are executing according to our strategic objectives and that we only accept risk for which we are adequately compensated. We evaluate risk at the individual transaction level and evaluate aggregate risk at the customer, industry, geographic and collateral-type levels, where appropriate.

How does GE incorporate diversity to drive growth, revenue and market penetration?



Mixing Diversity into the Supply Chain Process
www.gecitizenship.com/mixing-diversity-into-the-supply-chain-process

In addition, our global risk management systems were further strengthened in August 2009 with the appointment of the GE Chief Risk Officer (CRO), Mark Krakowiak. The CRO develops and implements an enterprise risk management approach for GE to ensure that risk objectives are aligned with our overall company strategy. They work closely with the businesses to aggregate, monitor and mitigate risk through improved controls, policies and procedures, integrating these controls with existing governance and management processes.

The Company continues to work on productivity through process control, Six Sigma, Lean Manufacturing and the development and implementation of new technologies.

To read more about our global risk management framework and business processes, visit: www.gecitizenship.com/our-commitment-areas/compliance-governance/global-risk-management

RESPONDING TO ENGAGEMENT IN DECISION MAKING

At the corporate level, three key bodies are responsible for making decisions about citizenship and implementing learnings from the numerous stakeholder dialogues:

- The *Public Responsibilities Committee of the GE Board of Directors* is chaired by Director and former U.S. Senator Sam Nunn, and includes Jeff Immelt, Chairman and CEO; James I. Cash, Jr., director; Rochelle B. Lazarus, director; Ann M. Fudge, director; James J. Mulva, director; Susan Hockfield, director; and Roger S. Penske, director. This committee oversees GE's positions on corporate social responsibilities and public issues of significance that affect investors and other key GE stakeholders. To learn more about the Public Responsibilities Committee, please visit www.ge.com/governance/committees.
- The *Citizenship Executive Advisory Council (CEA)* is comprised of five senior GE executives: Brackett Denniston, senior vice president and general counsel; Bob Corcoran, vice president of corporate citizenship; Gary Sheffer, vice president communications & public affairs; Ann Klee, vice president of environmental programs; and Mark Vachon, vice president of ecomagination. This group reviews stakeholder feedback and issues important to the Company's citizenship efforts,

helping ensure that the appropriate actions and resources are in place.

- The *Corporate Executive Council (CEC)* brings together 40 of GE's top leaders, including business CEOs, to share progress on the Company's strategy and performance, and to discuss best practices.
- Citizenship issues are linked into GE's broader strategic planning through both hardwired and softwired connections. Societal issues are hardwired to strategy as part of our "Growth Playbook," the business environment we consider in developing business strategy. Environmental, social and regulatory issues are incorporated into a number of cyclical processes, including individual employee assessments, business compliance and environment reviews, and health and safety assessments.

To be successful, these inputs must be factored into and considered part of strategy, planning and execution. Citizenship reporting provides an end-of-year overview of our key strategic issues, our responses to them and our performance against stakeholder concerns.

HOW ENGAGEMENT LINKS TO LEARNING & DECISION MAKING



CONTRIBUTION AND IMPACT AT-A-GLANCE METRICS

GE GENERAL DATA

(in \$ billions)	2006	2007	2008	2009	2010
GE REVENUE BY COUNTRY/REGION					
U.S.	81.1	86.2	85.0	72.2	70.5
Europe	32.6	39.9	44.0	36.9	31.8
Pacific Basin	17.6	21.8	23.6	20.7	21.6
Americas	11.5	12.6	14.2	11.4	13.4
Middle East & Africa	5.5	8.0	10.1	10.0	9.1
Other Global	3.3	4.0	4.7	4.1	3.8
Total	151.6	172.5	181.6	155.3	150.2
RESEARCH & DEVELOPMENT					
GE-Funded Research	2.8	3.0	3.1	3.3	3.9

GOVERNANCE DATA

	2008	2009	2010
OMBUDSPERSON CONCERNS BY AREA (reports per policy)			
Fair Employment Practices	345	366	414
Conflicts of Interest	209	235	206
International Trade Controls	142	147	138
Security & Crisis Management	114	111	123
Regulatory Excellence	90	98	127
Business Records (IT&L, Time & Attendance)	133	98	91
Environment, Health & Safety	97	87	127
Routines, Documentation, Internal Measurements	92	83	89
Supplier Relationships	86	74	94
Improper Payments	52	64	35
Privacy	69	63	59
Controllershship (Accounting, Financial Reporting, Billing)	57	53	45
Intellectual Property	27	46	48
Theft	72	38	42
Working with Governments	28	38	22
Complying with Competition Laws	22	22	21
Other Integrity Concerns	37	18	25
OMBUDSPERSON PROCESS — INVESTIGATION RESULTS			
Concerns Reported	1,672	1,641	1,706
Disciplinary Actions	420	420	363
GEOGRAPHIC BREAKOUT OF INVESTIGATIONS CONDUCTED (percent of investigations)			
U.S. and Canada	55%	57%	57%
Europe	17%	17%	21%
Asia	15%	15%	13%
Latin America	13%	11%	9%

EMPLOYEES DATA

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
GE EMPLOYEES										
U.S.	158,000	161,000	155,000	165,000	161,000	155,000	155,000	152,000	134,000	133,000
Percentage of Total	51%	51%	51%	54%	51%	49%	47%	47%	47%	46%
Non-U.S.	152,000	154,000	150,000	142,000	155,000	164,000	172,000	171,000	154,000	154,000
Percentage of Total	49%	49%	49%	46%	49%	51%	53%	53%	53%	54%
Total	310,000	315,000	305,000	307,000	316,000	319,000	327,000	323,000	288,000	287,000
GE EMPLOYEES REGION-SPECIFIC BREAKDOWN										
U.S.					161,000	155,000	155,000	152,000	134,000	133,000
Canada & the Americas ^(a)					24,000	30,000	28,000	19,000	24,000	24,000
Europe					83,000	85,000	92,000	95,000	85,000	83,000
Middle East & Africa					2,000	2,000	3,000	7,000	3,000	3,000
Pacific Basin					47,000	47,000	49,000	50,000	42,000	44,000
Total					316,000	319,000	327,000	323,000	288,000	287,000
GE FEMALE EMPLOYEES REGION-SPECIFIC BREAKDOWN										
U.S.						31%	31%	30%	30%	29%
Canada & Mexico						33%	33%	33%	31%	29%
Latin America						32%	32%	31%	29%	26%
Europe						42%	41%	42%	41%	40%
Middle East & Africa						15%	16%	14%	13%	11%
Pacific Basin						33%	35%	36%	35%	32%
Total						35%	35%	35%	34%	33%
COMPARATIVE U.S. RACE AND ETHNICITY REPRESENTATION (percentage of total employees)										
Executive				12	14	14	15	15	15	15
American Indian or Alaskan Native				0.1	0.2	0.1	0.5	0.1	0.1	0.1
Asian, Native Hawaiian or Other Pacific Islander				5.2	6.2	5.9	6.1	6.2	6.4	5.9
African American				4.1	4.3	4.3	4.6	4.6	4.6	4.5
Hispanic				2.4	2.9	3.3	3.1	4	4.1	3.8
Other				—	—	—	0.1	0.1	0.1	0.2
Professional				17	19	19	19	20	20	21
American Indian or Alaskan Native				0.2	0.2	0.2	0.2	0.2	0.2	0.2
Asian, Native Hawaiian or Other Pacific Islander				7.5	8	8.1	8.2	8.8	9	9.3
African American				4.7	4.8	4.8	4.9	5.1	5	4.9
Hispanic				4.8	5.5	5.4	5.7	5.9	5.9	5.8
Other				—	—	—	0.1	0.2	0.3	0.5
All Other				25	28	28	29	28	28	27
American Indian or Alaskan Native				0.4	0.4	0.4	0.4	0.4	0.4	0.4
Asian, Native Hawaiian or Other Pacific Islander				3.4	3.5	3.4	3.9	4	4.2	4
African American				13.2	13.2	13	13.6	13.3	12.7	12
Hispanic				7.6	10.5	9.9	10.6	10.5	10.5	10.7
Other				—	—	—	0.1	0.2	0.3	0.3
Total Diverse Representation				21	23	23	24	24	24	24
American Indian or Alaskan Native				0.3	0.3	0.3	0.3	0.3	0.3	0.3
Asian, Native Hawaiian or Other Pacific Islander				5.2	5.5	5.5	5.9	6.3	6.5	6.7
African American				9.3	9.4	9.3	9.6	9.3	8.9	8.3
Hispanic				6.2	8.2	7.9	8.3	8.2	8.2	8.1

(a) Excludes approximately 16,000 employees in Central America related to GE's acquisition of controlling interest in BAC Credomatic GECF Inc. (BAC) in June 2009.

ECOMAGINATION DATA

(in \$ billions)	2005	2006	2007	2008	2009	2010
ecomagination R&D Investment	—	0.7	0.9	1.1	1.4	1.5
ecomagination Revenue	6	10	12	14	17	18

For a full report on our ecomagination activities, please visit our online ecomagination report at www.ecomagination.com.

ENVIRONMENT, HEALTH & SAFETY

	2004	2005	2006	2007	2008	2009	2010
INJURY & ILLNESS AREAS^(d)							
Recordable Rate	1.62	1.64	1.52	1.40	1.31	1.15	1.11
Lost-Time Rate ^(d)	0.42	0.45	0.46	0.42	0.39	0.35	0.31
TOTAL VPP SITES	138	140	163	190	215	228	238
AIR & WASTEWATER EXCEEDANCES							
Air	25	14	21	30	17	3	19
Wastewater	98	98	101	79	73	38	62
GE U.S. TOXIC RELEASE INVENTORY (TRI) ON-SITE DATA 2005–2009^(e)							
TRI On-Site Releases (in millions of pounds)	5.00	4.92	3.09 ^(f)	0.42 ^(g)	0.29	0.24	—
WATER USE (IN BILLIONS OF GALLONS)^{(b)(h)}							
Total	—	—	15.3	—	—	—	11.9
Once Through Cooling Water	—	—	8.9	—	—	—	6.5
WASTE GENERATION^(h)							
Hazardous Waste (in metric tons)	—	—	40,300	—	—	32,751	36,100
Non-Hazardous Waste (in metric tons)	—	—	233,000	—	—	174,776	217,000
Recycled Metals (in metric tons) ⁽ⁱ⁾	—	—	—	—	—	106,000	109,000
GE GREENHOUSE GAS EMISSIONS^{(b)(h)}							
GE Operational GHG Emissions (million metric tons of CO ₂ -equivalent emissions)	7.44	—	—	—	—	—	5.65
GE Operational GHG Intensity (metric tons per \$ million revenue)	60.06	—	—	—	—	—	37.62
GE Operational Energy Intensity (MMBtu per \$ million revenue)	498.7	—	—	—	—	—	335.4
GE Operational Energy Use (million MMBtu)	61.7	—	—	—	—	—	50.4
ADDITIONAL METRICS							
Global Penalties Paid (in \$ thousands)	351	326	372	237	99	89	78
Training Units Completed (millions of units)							
U.S.	1.10	1.42	1.45	1.42	1.78	1.42	1.38
Non-U.S.	0.45	0.55	0.59	0.59	0.67	0.64	0.63
Agency Inspections							
U.S.	694	753	861	740	803	993	942
Non-U.S.	767	736	639	474	505	711	638
Spills & Releases	36	65	66	98	72	59	25

(b) For data associated with reductions in greenhouse gas emissions and water usage, please visit www.gecitizenship.com/metrics/environment-health-safety.

(c) Rates are based on 100 employees working 200,000 hours annually.

(d) Lost-Time Rate uses the OSHA calculation for days-away-from-work cases (transfer or restricted cases are excluded).

(e) This data will always lag by a year, since U.S. TRI data for the prior year is not submitted until July 1 as a matter of law.

(f) Does not include the former GE Advanced Materials business, as it was divested in December 2006.

(g) On-site TRI Releases not including GE Plastics, which was divested in August 2007.

(h) For GHG and energy-related metrics, each year GE adjusts its 2004 baseline inventory to account for divestments and acquisitions. For 2005–2009, GHG and energy-related data were not collected for new acquisitions. As a result, adjusted results for 2005–2009 are not available. For water and waste-related metrics, each year GE adjusts its 2006 baseline inventory to account for divestments and acquisitions. For 2007–2009, water and waste-related data were not collected for new acquisitions. As a result, adjusted results for 2007–2009 are not available. Complete water and waste data were not collected before 2006.

In early 2011, GE divested its controlling interest in NBCUniversal, and now has a minority ownership stake in the company. Our 2010 data includes NBCU but, in accordance with the WRI/WBSCD GHG Accounting Protocol followed by GE, we will not include NBCU data for 2011 and subsequent years and our baseline will be adjusted accordingly. For comparison purposes, if NBCU's 2010 data were excluded, our overall GHG and energy use performance improves by approximately 1%, while energy intensity stays relatively flat.

During the course of 2011, GE will complete several significant acquisitions, adding up to 100 manufacturing and service sites, along with additional offices, warehouses and other locations, which will have an as yet unquantified impact on results to be reported in 2012.

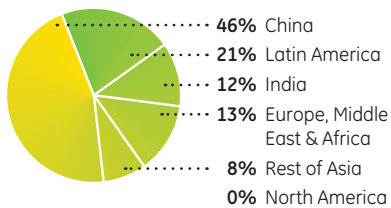
(i) Recycled metals first reported in 2009. For recycled metals metrics, each year GE adjusts its 2009 baseline inventory to account for divestments and acquisitions.

COMMUNITIES & PHILANTHROPY DATA

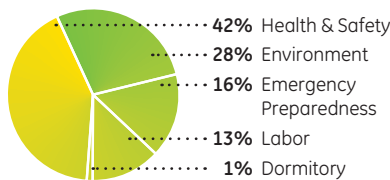
(in \$ millions)	2007	2008	2009	2010
ALL CONTRIBUTIONS	145.2	180.4	160.3	202.5
CONTRIBUTIONS BY MAJOR PROGRAMS				
Matching Gifts	37.8	34.9	32.8	38.0
Developing Futures in Education	29.8	33.6	33.7	33.5
Developing Health Globally	10.2	15.6	15.5	14.7
Local Business Contributions	15.5	23.8	18.5	31.0
NBCU PSAs	21.5	39.4	21.5	36.8
Scholarships	4.7	4.2	5.2	4.8
United Way	9.1	9.2	12.0	9.3
Subtotal	128.6	160.7	139.2	168.1
	88.6%	89.1%	86.8%	83.0%
Other	16.6	19.7	21.1	34.4
Total	145.2	180.4	160.3	202.5
GE EMPLOYEE CONTRIBUTIONS				
Gifts That Were Matched	37.8	34.9	32.8	38.0
United Way	21.5	21.4	20.9	18.6
Total	59.3	56.3	53.7	56.6
CONTRIBUTIONS AS A PERCENTAGE OF GE NET INCOME				
Total Giving	204.5	236.7	214.0	259.1
Total Contributions as a Percentage of Net Income	0.92%	1.37%	2.00%	2.05%
VOLUNTEER BREAKDOWN				
Countries with GE Volunteer Councils	36	42	46	47
GE Volunteer Councils	144	175	175	197
Employees Registered to GE Volunteers Portal	47,000	61,000	74,000	64,000

2010 SUPPLIERS DATA

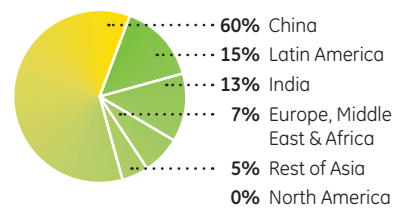
ASSESSMENTS BY REGION



FINDINGS BY CATEGORY



FINDINGS BY REGION



“There is a significant universe of long-term investors who want greater exposure to well-managed companies and emerging markets. GE is able to respond to these investors and produce better value over the long term.”

— TREVOR SCHAUENBERG, VICE PRESIDENT, INVESTOR COMMUNICATIONS FOR GE

RESPONSIBILITY TO SHAREOWNERS

GE is one of the most widely held stocks in the world. Ownership of the Company can and does benefit millions of people through flows of dividends and capital benefits, both to individual shareowners and through such intermediaries as pension funds and insurers. In fact, about half of GE's issued shares are owned by individuals, including many of the Company's current and past employees, who have helped to shape the Company's success over decades and generations, and whose savings for retirement continue to create value through their investment in the Company. Historically, GE's owners were predominantly from the U.S., but in the last four years non-U.S. ownership has grown to more than 10%, a sign of the globalization of capital markets.

GE's responsibility, legally and ethically, is to provide the best possible return, financially and through its impact on the world today and in the years to come.

THE ROLES OF CAPITAL MARKETS

Capital markets facilitate the use of today's resources to realize future benefits. Such benefits are most usually measured in financial terms, or more exactly, risk-adjusted returns to the investor. In our society, capital markets play the historic role of investing what we choose not to consume today. The objective is to provide economic opportunities strengthened by secure sources of energy, water and physical safety.

Over the past decade, capital markets have come under increased scrutiny for their effectiveness in these areas. The recent global recession, along with its destruction of economic value and jobs, has been attributed in large part to the short-termism of the capital markets, banks and investment houses. Citizenship, or the ethical pursuit of business success—achieved by delivering affordable products that help address pressing challenges—requires “patient” capital that rewards businesses whose strategies and practices align with these long-term, value-creating opportunities.

While the debate continues on the pros and cons of various approaches to financial regulation, a new breed of shareowner has emerged with a greater focus on citizenship and long-term concerns. Nearly one in eight dollars under professional management in the U.S. is already invested using some form of

Does Islamic finance compete with or complement conventional banking?



Banking in the Middle East: Islamic Finance for All

Afaq Khan, CEO, Standard Chartered Saadiq

www.gecitizenship.com/banking-in-the-middle-east

social responsibility criteria. Responsible investing itself is evolving beyond “negative screening” to a more positive engagement that identifies and promotes those social and environmental factors that can drive superior financial performance.

Such active investing has become more mainstream in recent years. The UN Principles of Responsible Investment, for example, with nearly 850 signatories, representing around \$25 trillion in assets, reflect these changing criteria. Stock exchanges around the world are also taking steps to promote and require greater transparency on environmental, social and governance performance and risk factors, with the BM&FBOVESPA Exchange in Brazil, the Johannesburg Stock Exchange and The National Stock Exchange of India taking steps in this area. The London Stock Exchange, NASDAQ and NYSE Euronext all have stock market indices that focus on companies that exhibit “best in class” performance or that provide solutions to sustainability challenges.

“Research shows that on average, positive, opportunity-focused application of environmental, social and governance investment criteria leads to outperformance.”

— CARY KROSINSKY, SENIOR VICE PRESIDENT, TRUCOST

Major institutional investors focus on such key indicators of long-term value-creation potential as governance and remuneration.

The management of social and environmental impacts is increasingly viewed as a test for effectively handling complex strategic and operational challenges. As Trevor Schauenberg, vice president, investor communications for GE, explains, “There is a significant universe of long-term investors who want greater



exposure to well-managed companies and emerging markets. Because citizenship is a key component of GE's operational excellence, GE is able to respond to these investors and produce better value over the long term."

SOLVING BIG PROBLEMS

GE's products aim to meet many of tomorrow's pressing needs, from clean energy to energy-efficient infrastructures and transportation to clean water and affordable healthcare.

GE is investing in technology. Over the last five years, the Company's research and development budget has increased by more than 40%, from \$2.8 billion in 2006 to \$4 billion in 2010. These investments have focused increasingly on core societal challenges, such as those exemplified by two programs, ecomagination and healthmagination. These 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.

"I am confident that GE will continue to be successful in the years to come."

— WARREN BUFFETT

While the core of GE's critical knowledge platform resides in the U.S., the Company has accelerated investment into "In country-for country" research in Shanghai, Bangalore, Munich and, soon, Rio de Janeiro. The idea is to effectively leverage local expertise and insights to address the evolving needs of emerging markets and their nations' citizens.

GE's approach is clearly aligned with the interests of long-term investors, offering exposure to a portfolio of future industries and fast-growing emerging markets, combined with the disciplined management and culture of compliance needed to manage the corresponding risk and complexity.

As GE prepares for the future, our cumulative earnings and cash flow over the last decade rank in the top 10 of all the companies in the world. In 2010, GE's stock price grew by 21%, outperforming the S&P 500 Index, which grew by 13%. And, while GE is widely acknowledged as a sustainability leader in its products and processes, the traditional "socially responsible investment" community, primarily because of its aversion to nuclear technology or defense-related activities, holds very little stock.

VALUING CITIZENSHIP

Citizenship is a critical value driver for GE, and it will continue to be an important differentiator to investors in the future. This is true for many other companies as well, as businesses adjust their products and processes to meet growing environmental challenges and the sustainability demands of customers and communities around the world.

Developing consistent methods for measuring and reporting on performance in areas such as greenhouse gas emissions and water use will be crucial to understanding and rewarding good performance. GE applauds the work of initiatives such as the Carbon Disclosure Project, the World Resources Institute and the World Business Council for Sustainable Development in creating the Greenhouse Gas Protocol. We use the GHG Protocol for our own emissions inventory and have worked with other companies in road-testing a new standard to help measure the emissions associated with products and supply chains.

Today's capital markets are in the early stages of responding to such signals. Competencies, information flows, analytic models and remuneration approaches will continue to be reshaped in the years to come to deliver long-term financial returns. The challenge is not to measure the financial return for doing good, but rather the financial rewards from successfully addressing global challenges with profitable products and services. And GE expects to play a prominent role in this evolutionary process as it continues to generate value and solid returns for its many shareowners.

REFERENCE GLOBAL REPORTING INITIATIVE (GRI)

G3 Content Index

Our 2010 Citizenship Report applies a self-declared GRI Application Level A. To view the more detailed GRI Index, including the indicators that we did not report on, as well as more links to relevant information, and the GRI Application Level Table, please visit www.gecitizenship.com/frameworks/gri-index.

For more information on the GRI Sustainability Reporting Framework and the G3 Guidelines, see www.globalreporting.org.

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*This content exists online. To visit the page with its link, see the GRI extended index at www.gecitizenship.com/reporting/frameworks/gri-index.



The United Nations Global Compact (UNGC) is both a policy platform and a practical framework for companies that are committed to sustainability and responsible business practices. As a multistakeholder leadership initiative, it seeks to align business operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption and to catalyze actions in support of broader UN goals.

GE became a signatory to the UNGC in 2008. In addition to our 2010 Citizenship reporting, GE has produced this table as part of our Communication on Progress (COP). Business signatories to the UNGC are required to annually submit a COP for the UNGC Web site and to share the COP widely with their stakeholders.

For more information about how GE is working with the UNGC, please visit www.gecitizenship.com/frameworks/un-global-compact. For more information about the UNGC strategic policy initiative, visit the UN Global Compact Web site at www.unglobalcompact.org.

UNGC 10 COMMITMENTS		PAGE/LINK	
Human Rights			
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	p. 30	
Principle 2	Businesses should make sure that they are not complicit in human rights abuses.	www.gecitizenship.com/our-commitment-areas/human-rights	
Labour Standards			
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Human Rights— www.gecitizenship.com/our-commitment-areas/human-rights Our People— www.gecitizenship.com/our-commitment-areas/our-people	
Principle 4	The elimination of all forms of forced and compulsory labour;		
Principle 5	The effective abolition of child labour; and		
Principle 6	The elimination of discrimination in respect of employment and occupation.		
Environment			
Principle 7	Businesses should support a precautionary approach to environmental challenges;		Energy and Climate, p. 25
Principle 8	Undertake initiatives to promote greater environmental responsibility; and	Environment— www.gecitizenship.com/our-commitment-areas/environment-health-safety	
Principle 9	Encourage the development and diffusion of environmentally friendly technologies.	Public Policy— www.gecitizenship.com/our-commitment-areas/public-policy Our Suppliers— www.gecitizenship.com/our-commitment-areas/our-suppliers www.ecomagination.com	
Anti-Corruption			
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery.	Compliance & Governance— www.gecitizenship.com/our-commitment-areas/compliance-governance	

GE recognizes the difficulty in benchmarking its policies, processes and programs against its peers, as the Company portfolio spans multiple regions, businesses, industries and products. Here we provide a quick snapshot of external benchmarks where others have decided how GE measures against their respective standards. This list below reflects performance recognized for work done in 2010 and before.

INVESTORS

Dow Jones Sustainability Index: 2005, 2006, 2007, 2008, 2009, 2010

Innovest: Highest AAA rating

KLD: Global Climate 100 Index

Maplecroft: Climate Innovation Index (#1)

COMPANY & LEADERSHIP

World's Most Admired Companies

Fortune, 2006 (#1), 2007 (#1), 2008 (#2), 2009 (#9), 2010 (#16)

#1 Company for Leaders

Fortune/Hewitt Associates, 2007, 2009

BusinessWeek, 2010 (#1)

Transparency International, 2010

World's Most Respected Company

Barron's Magazine, 2008 (#11), 2009 (#43)

Top 50 Technology Companies

Scientific American, 2007

Best Place to Launch a Career

BusinessWeek, 2007 (#13), 2008 (#12), 2009 (#16)

100 Most Influential People

Time, 2008, Jeff Immelt

Time, 2009, Lauren Zalaznick

Best Global Brand

BusinessWeek, 2008, 2009

Most Innovative Companies

BusinessWeek, 2007 (#4), 2008 (#4), 2009 (#17), 2010 (#23)

Fast Company, 2009 (#11), 2010 (#19), 2011 (#45)

20 Best Companies for Leadership

BusinessWeek, 2011

Best U.S. Corporate Governance

Investor Relations, 2007

Best in Leadership Development

Leadership Excellence, 2007, 2008

Most Ethical Companies

Ethisphere, 2007, 2008, 2009, 2010

America's Most Generous Corporate Foundations

BusinessWeek, 2010 (#5)

Brand Sustainability Index survey

M&M, 2010 (#2)

DIVERSITY

Best Diversity Companies

Diversity/Careers, 2007

Great Place to Work

Black Enterprise, 2007

Best Companies for Women's Advancement

Working Mothers, 2011

100 Best Companies for Working Mothers

Working Mothers, 2006, 2007, 2008, 2009, 2010

Most Powerful Women

Fortune, 2007, 2008, Charlene Begley

Fortune, 2009, Lauren Zalaznick

Top 100 Military Employers

G.I. Jobs, 2006, 2007, 2008, 2009, 2010

Top 50 Employers for Veterans

Military Times, 2010 (#1)

Society of Women Engineers

President's Award, GE Women's Network, 2009

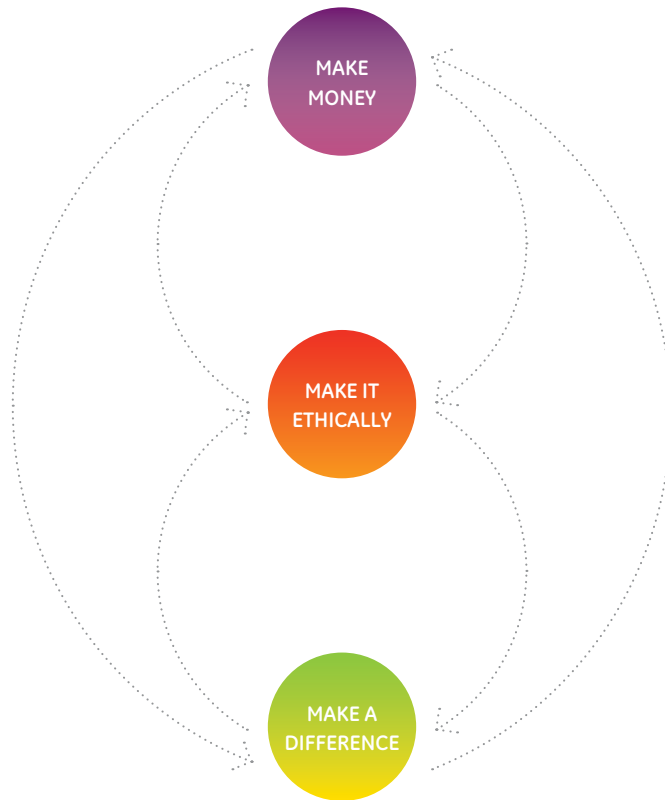
CITIZENSHIP REPORTING

CERES Sustainability Reporting

2009 GE Citizenship Report—Top 15

Corporate Register Reporting Awards

2009 GE Citizenship Report—Top 10 in Best Report, Best Carbon Disclosure, Creativity in Communications, Relevance & Materiality and Credibility Through Assurance



At the heart of GE's approach is a simple framework: make money, make it ethically and make a difference. This is an integrated approach, as each piece depends upon the others for overall success. To learn more about how this principle guides GE in addressing the world's most complex challenges, please visit our Web site at www.gecitizenship.com.



imagination at work