Environment

Our environmental program

A Renewable Energy onshore wind field technician at work.

As with safety, our environmental compliance assurance program includes multiple levels of assessment, including self-inspections, environmental program reviews and audits, and permit reviews, which are conducted jointly by operations and EHS professionals. Operations are expected to review all environmental permits annually and confirm compliance with all permit conditions. In addition to ongoing management of change, each operation is also expected to confirm permit coverage, applicability decisions and exemption criteria, if applicable, at least every three years. In addition to the self-assessments and inspections, governance audits are conducted at a frequency determined by the risk and performance of each operation. Environmental inspections or investigations by regulatory agencies are reported as "events" and any findings are tracked to closure. Key environmental metrics are reported and tracked at the site, business and company level for the purpose of monitoring performance and ensuring compliance.

Reporting and escalation are required in the event of exceedances of permit limits or other emission/discharge standards; failure to obtain, modify or renew existing permits; or discovery of a GE operation, process or source that should be, but is not, covered by a permit. Environmental key performance indicators (KPIs) include framework scores, regulatory finding closure rate, regulatory training completion, severe environmental events, notices of non-compliance, penalties paid, and spills and releases.

ENVIRONMENT

	2019	2020	2021
ISO 14001 sites	107	97	111
Global Penalties Paid (in $ thousands)	25	25	63
Spills & Releases (Count)[7]	31	24	27
Air Exceedances (Count)	1	10	1
Wastewater Exceedances (Count)[8]	17	11	35

Due to the changing nature of GE's enterprise, figures are periodically updated to reflect changes in scope and as additional information becomes available. For instance, acquired businesses may not have aligned data for the same time periods.

[7] Increase from 2020 to 2021 largely attributable to ongoing impacts of the global pandemic, and re-opening operation growth.

[8] Increase from 2020 to 2021 largely attributable to single physical parameter in stormwater runoff from construction project.

Climate change

Climate change is an urgent global priority. As a company that helps generate one-third of the world's electricity, we are committed to decarbonizing the energy sector while increasing access to more reliable, sustainable and affordable electricity, including for the 750 million people who lack access.

GE's climate change performance

Having met our 2020 emissions reduction targets ahead of schedule, in 2019 we set a new goal to achieve carbon neutrality within our own operations (i.e., Scope 1 and 2 emissions) by 2030. To achieve this goal, our businesses are making operational investments in energy efficiency, reducing emissions from the grid through smart power sourcing and using lean practices to eliminate energy waste. See examples that follow. While we are focused on driving absolute reductions to achieve carbon neutrality, where necessary, we will balance remaining emissions with carbon offsets. GE internally tracks progress to established targets versus a 2019 baseline.

In 2021, we set an ambition to be net zero by 2050, for the Scope 3 emissions associated with the use of our sold products. We are collaborating closely with our customers, suppliers, policymakers and other companies to turn net zero engineering challenges into business opportunities. For GE Aviation, and GE Power and Renewable Energy, their efforts toward the Scope 3 ambition for their sold products are described in detail on pages 50-53 and 33-35, respectively. GE Healthcare's efforts are described on page 41.

To learn more about our Greenhouse Gas Inventory and Energy Inventory process methodology see Appendix I in our 2021 Sustainability Report Appendices.

GE'S CLIMATE CHANGE COMMITMENTS

- Carbon neutrality for Scope 1 and Scope 2 emissions by 2030
- Ambition to be a net zero company by 2050 for the Scope 3 emissions from use of sold products

Better Climate™ CHALLENGE U.S. DEPARTMENT OF ENERGY PARTNER

In February 2022, GE was proud to join the U.S. Department of Energy (DOE) Better Climate Challenge, committing to reduce Scope 1 and Scope 2 greenhouse gas emissions by at least 50% within 10 years. As a partner in DOE's Challenge, GE is one of more than 80 organizations across the U.S. driving real-world action toward a low-carbon future. **Learn here ▶**

CLIMATE CHANGE AND ENERGY[9]

	BASELINE	2019	2020	2021
GE Operational GHG Emissions (milllion metric tons of CO_2 equivalent) (market based).[10]	2.29	2.39	1.90	1.81
Scope 1 Emissions (million metric tons of CO_2 equivalent)		1.00	0.73	0.74
Scope 2 Emissions (million metric tons of CO_2 equivalent) (market based)		1.39	1.16	1.07
Direct SF6 Emissions (thousand metric tons CO_2 equivalent)		164	138	131
Scope 3 net emissions from sold products (million metric tons of CO_2) (net, new units, absolute)				
GE Aviation				28
GE Power				477
GE Operational Energy Use (million GJ)[9]	26.8	27.1	21.1	21.5
Total Electricity (MWh)		3,420,000	3,040,000	3,030,000
Renewable Energy Used (MWh)		31,800	53,000	63,100

[9] Per the WRI/WBCSD GHG Protocol: GE adjusts its 2019 base year GHG and energy data annually to reflect changes in structure or calculation methodology, improvements in accuracy of emission factors or activity data, and discovery of error. Interim years are not adjusted except upon discovery of significant error. 2020 operational GHG emissions, Scope 1 emissions, Scope 2 emissions, operational energy, and total electricity were recast to reflect corrections identified from audit.

[10] Scope 1 & 2 emissions may not sum to total due to rounding.