



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

March 4, 2024

Ronald O. Mueller
Gibson, Dunn & Crutcher LLP

Re: General Electric Company (the "Company")
Incoming letter dated December 21, 2023

Dear Ronald O. Mueller:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by Martin Harangozo (the "Proponent") for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal recommends that the Company improve its stock ownership and holding requirements so that senior executives hold any shares they receive in connection with the exercise of stock options for the life of the executive.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(4). In our view, the Proposal relates to the redress of a personal claim or grievance or is designed to result in a benefit to the Proponent, or to further a personal interest, which is not shared by the Company's other shareholders at large. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(4).

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2023-2024-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Martin Harangozo

December 21, 2023

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *General Electric Company*
Shareholder Proposal of Martin Harangozo
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, General Electric Company (the “Company”), intends to omit from its proxy statement and form of proxy for its 2024 Annual Meeting of Shareholders (collectively, the “2024 Proxy Materials”) a shareholder proposal (the “Proposal”) and statement in support thereof (the “Supporting Statement”) received from Martin Harangozo (the “Proponent”).

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the “Commission”) no later than eighty (80) calendar days before the Company intends to file its definitive 2024 Proxy Materials with the Commission; and
- concurrently sent a copy of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) (“SLB 14D”) provide that shareholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the “Staff”). Accordingly, we are taking this opportunity to inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff with respect to the Proposal, a copy of such correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

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THE PROPOSAL

The Supporting Statement is a diatribe directed to long-retired Company chief executive officers against whom the Proponent holds a personal grievance, and the Proposal, which has no relevance to the Company's current chief executive officer, recommends that senior executives be required to hold any shares they receive in connection with the exercise of stock options for the life of the executive. A copy of the Proposal and the Supporting Statement is attached to this letter as Exhibit A.

BASES FOR EXCLUSION

The Proposal May Be Excluded Under Rule 14a-8(i)(4) Because The Proposal Relates To The Redress Of A Personal Grievance And Is Designed To Benefit The Proponent In A Manner That Is Not In The Common Interest Of The Company's Shareholders.

We hereby respectfully request that the Staff concur in our view that the Proposal may be excluded from the 2024 Proxy Materials pursuant to Rule 14a-8(i)(4) because the Proposal relates to the redress of a personal grievance and is designed to benefit the Proponent in a manner that is not in the common interest of the Company's shareholders.

1. *Background.*

The Proposal is yet another chapter in the Proponent's annual effort to misuse the shareholder proposal process as a tactic to reassert and redress his personal grievance against the Company and former Company officers, which is not in the common interest of the Company's shareholders.

The Proposal is nearly identical to a proposal submitted by one of the Proponent's cohorts and included in the Company's proxy statement for its 2014 Annual Meeting of Shareholders.¹ Although the Proposal recommends generally that the Company require "senior executives [to] hold any shares they receive in connection with the exercise of stock options for the life of the executive," the Supporting Statement focuses almost exclusively on events occurring more than a decade ago and focuses on stock option-based compensation earned by two of the Company's former chief executive officers, who retired from the Company in 2001 and 2017, respectively. The Proposal has no relevance to the Company's current chief executive officer, who has not been granted any Company stock options. As

¹ See Notice of 2014 Annual Meeting & Proxy Statement, at p. 45, available at https://www.sec.gov/Archives/edgar/data/40545/000120677414000746/ge_def14a.htm.

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explained further in the Company's most recent proxy statement, since the Company's current chief executive officer was hired in 2018, all of his equity awards have been in the form of performance-based equity. By granting the Company's chief executive officer solely performance-based equity, the Company has tied the chief executive officer's compensation to long-term shareholder value creation. It is clear that the Proposal, which is focused on the Company's prior executive leaders and their compensation, is merely being used by the Proponent as a vehicle for the Proponent to again reassert and redress his personal grievance against the Company.

As explained in *General Electric Co.* (avail. Feb. 14, 2020; recon. denied Feb. 28, 2020) ("*General Electric 2020*"), the Proponent was hired by the Company in 1990, separated from the Company in 2011, and subsequently filed a claim against the Company under the Company's alternative dispute resolution process,² asserting various allegations related to his employment with the Company, and seeking monetary and other relief. *General Electric 2020* further explains that, commencing in 2012, the Company received shareholder proposals every year from the Proponent and some variation of four other individuals. While some of the shareholder proposals were facially neutral, several proposals raised claims relating to alleged inappropriate actions by then-management personnel and asserted the Proponent's perspective on such matters. The facts surrounding these submissions make clear that the Proponent coordinated proposal submissions to the Company in a manner designed to harangue the Company, vindicate the Proponent's perspective, and provide the Proponent a continual platform to redress his personal grievance by speaking at the Company's annual shareholder meetings.

As recently as this year, when the Company included the Proponent's facially neutral proposal in its 2023 proxy statement, the Proponent used his opportunity during the 2023 Annual Meeting of Shareholders to discuss his personal history with the Company and air his longstanding grievances against the Company, including allegations of improper dealings in stock options and stock by the Company's former chief executive officer. A copy of the relevant portion of the transcript from the Company's 2023 Annual Meeting of Shareholders is attached as Exhibit B. The Proponent has made similar remarks at prior meetings, including during both the 2022 and 2021 Annual Meetings of Shareholders. At both meetings, the Proponent discussed his personal history with the Company, aired his longstanding grievances against the Company, realleged a claim of inappropriate accounting, a grievance consistently raised by the Proponent in previous shareholder meetings, and

² The Company does not take issue with the Proponent's use of the Company's alternative dispute resolution process, which the Company views as an appropriate forum for employees to raise any grievances.

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derided former management (*e.g.*, alleging that his former supervisor “retaliated against those that questioned his accounting” and “lied under oath”); each of which has been consistently raised by the Proponent in other prior proposals. A copy of the relevant portion of the transcripts from the Company’s 2022 and 2021 Annual Meetings of Shareholders is attached as Exhibit C. Thus it is clear that the Proponent has used the shareholder proposal process, and the platform it provides, to speak at the Company’s annual meetings to continue to publicly assert his personal grievance against the Company under the guise of various corporate governance concerns. The Proponent’s submission of this year’s Proposal yet again resurrects that tactic to do the same.

While the Company’s shareholders have had to endure the Proponent’s games, they have not endorsed his efforts. The Proponent’s proposal at the Company’s 2023 Annual Meeting, seeking a sale of the Company (after the Company had already announced plans to split into three companies) received only 0.5% of the votes cast; his proposal at the Company’s 2022 Annual Meeting, requesting a cessation of all executive stock option programs and bonus programs received support of only 1.9% of the votes cast; and his proposal at the Company’s 2021 Annual Meeting, advocating that multiple director candidates be nominated received only 3.0% support. As with the Proposal, each of these proposals was a recycled and rehashed proposal that in two of the cases included supporting statements criticizing the Company’s chief executive officers, and that served only to provide the Proponent a platform to assert his personal grievances at the Company’s annual meetings.

2. *Analysis.*

Rule 14a-8(i)(4) permits the exclusion of shareholder proposals that are (i) related to the redress of a personal claim or grievance against a company or any other person, or (ii) designed to result in a benefit to a proponent or to further a personal interest of a proponent, which other shareholders at large do not share. The Commission has stated that Rule 14a-8(i)(4) is designed to “insure that the security holder proposal process [is] not abused by proponents attempting to achieve personal ends that are not necessarily in the common interest of the issuer’s shareholders generally.” Exchange Act Release No. 20091 (Aug. 16, 1983). In addition, the Commission has stated, in discussing the predecessor of Rule 14a-8(i)(4) (Rule 14a-8(c)(4)), that Rule 14a-8 “is not intended to provide a means for a person to air or remedy some personal claim or grievance or to further some personal interest. Such use of the security holder proposal procedures is an abuse of the security holder proposal process. . . .” Exchange Act Release No. 19135 (Oct. 14, 1982). Moreover, the Commission has noted that “[t]he cost and time involved in dealing with” a shareholder proposal involving a personal grievance or furthering a personal interest not shared by other

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shareholders is “a disservice to the interests of the issuer and its security holders at large.” Exchange Act Release No. 19135 (Oct. 14, 1982). Thus, Rule 14a-8(i)(4) provides a means to exclude shareholder proposals the purpose of which is to “air or remedy” a personal grievance or advance some personal interest.

The Commission also has confirmed that this basis for exclusion applies even to proposals phrased in terms that “might relate to matters which may be of general interest to all security holders.” Exchange Act Release No. 19135 (Oct. 14, 1982). In this regard, the Commission noted that for a while the Staff would require “the issuer [to] show a direct relationship between the subject matter of a proposal and the proponent’s personal claim or grievance,” but that “proponents and their counsel began to draft proposals in broad terms so that they might be of general interest to all security holders.” As a result, “a proposal, despite its being drafted in such a way that it might relate to matters which may be of general interest to all security holders, properly may be excluded under paragraph [(i)](4), if it is clear from the facts presented by the issuer that the proponent is using the proposal as a tactic designed to redress a personal grievance or further a personal interest.” Notably, in 1997, the Commission proposed to modify the administration of the personal grievance exclusion, under which the Staff would concur in exclusion “only if the proposal (including any supporting statement) on its face relates to a personal grievance or special interest.” See Exchange Act Release No. 39093 (Sept. 18, 1997). However, in light of shareholders’ opposition to the proposal, in 1998, the Commission determined not to revise the exclusion, and stated, “We have therefore decided not to implement the proposal, and will continue to administer the rule consistently with our current practice of making case-by-case determinations on whether the rule permits exclusion of particular proposals.”

Consistent with the foregoing standards announced by the Commission for the administration of Rule 14a-8(i)(4), the Staff on numerous occasions has concurred with the exclusion of a proposal that included a facially neutral resolution, but where the facts demonstrated that the proposal’s true intent was to further a personal interest or redress a personal claim or grievance. See *Sempra Energy* (avail Mar. 15, 2022) (concurring with the exclusion of a proposal to create a committee to oversee the company’s response to developments in human rights, where both the proposal’s supporting statement and facts surrounding the submission of the proposal indicated that the proponent was using the shareholder proposal process to assert his personal grievances against both the company and an affiliate of the company’s public accounting firm, based on the company’s affiliation with its public accounting firm); *General Electric 2020* (stating “[t]he Commission has explained that it ‘does not believe an issuer’s proxy materials are a proper forum for airing personal claims or grievances’”); *American Express Co. (Lindner)* (avail. Jan. 13, 2011) (concurring with the exclusion of a

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proposal to amend an employee code of conduct to include mandatory penalties for noncompliance when brought by a former employee who previously sued the company on several occasions for discrimination, defamation, and breach of contract); *State Street Corp.* (avail. Jan. 5, 2007) (concurring with the exclusion of a proposal that the company separate the positions of chairman and CEO and provide for an independent chairman when brought by a former employee after that employee was ejected from the company's previous annual meeting for disruptive conduct and engaged in a lengthy campaign of public harassment against the company and its CEO).

Notably, the Staff has concurred that proposals may be excluded pursuant to Rule 14a-8(i)(4) where the proposal and supporting statements are neutrally worded and do not explicitly reveal the underlying dispute or grievance, but where the proponent has a history of confrontation with the company and that history is indicative of a personal claim or grievance within the meaning of Rule 14a-8(i)(4). For example, in *MGM Mirage* (avail. Mar. 19, 2001) ("*MGM*"), the Staff concurred with the exclusion of a proposal that would require the company to adopt a written policy regarding political contributions and furnish a list of any of its political contributions submitted on behalf of a proponent who had filed a number of lawsuits against the company based on the company's decisions to deny the proponent credit at the company's casino and, subsequently, to bar the proponent from the company's casinos, among other things. The company argued that the proponent was using the proposal to further his personal agenda, none of which was referenced in the proposal or supporting statement. *See also Pfizer, Inc.* (avail. Jan. 31, 1995) (concurring with the exclusion of a proposal related to CEO compensation saying, "the staff has particularly noted that the proposal, while drafted to address other considerations, appears to involve one in a series of steps relating to the longstanding grievance against the [c]ompany by the proponent," where the proposal was submitted by a former employee who contested the circumstances of his retirement, claiming that he had been forced to retire as a result of illegal age discrimination); *International Business Machines Corp. (Ludington)* (avail. Jan. 31, 1994) (concurring with the exclusion of a proposal requesting a list of all groups and parties that receive corporate donations in excess of a specified amount, including "details and names pertinent to the gift," where the company pointed to the proponent's prior communications with the company over the past year trying to stop corporate donations to charities that the proponent believed supported illegal immigration, including a request that the company provide the names of individuals at the charities that the company had communicated with, and argued that the proposal was thus an attempt to gain information on the charities, harass them, and stop donations to them).

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The foregoing precedent, and the Commission's statements in the 1982 Release (which the Staff recently confirmed that it continues to abide by),³ demonstrate that Rule 14a-8(i)(4) contemplates looking beyond the four corners of a proposal for purposes of identifying the personal grievance to which the submission of the proposal relates. Exactly as described in the 1982 Release, the Proponent has drafted the Proposal in neutral terms so that it might be of general interest to all security holders, in an effort to circumvent the Rule 14a-8(i)(4) standard. Nevertheless, the Proponent's consistent year-over-year pattern of conduct reveals his true intentions to use the shareholder proposal process in order to air his personal grievances at the Company's annual meetings of shareholders. Given that the Supporting Statement is focused on long-retired former chief executive officers, and that the Proposal has no applicability to the current chief executive officer's equity compensation, there is no doubt that the Proposal is "designed to result in a benefit to a proponent or to further a personal interest of a proponent, which other shareholders at large do not share." From the outdated focus of the Proposal and Supporting Statement and the Proponent's extensive history with the Company and well-established pattern of conduct, including his statements at the Company's most recent annual meetings, it is clear that the Proposal is yet another attempt by the Proponent to redress his personal grievance. This sort of ongoing gamesmanship, deploying neutral language in proposals to eschew exclusion under Rule 14a-8(i)(4), does not serve the goals of the shareholder proposal process and is instead an abuse of the Commission's rules that should not be condoned.

In keeping with the well-established precedent, the Proposal is properly excludable under Rule 14a-8(i)(4) because "it is clear from the facts presented by the issuer that the proponent is using the proposal as a tactic designed to redress a personal grievance or further a personal interest." The Proposal was clearly submitted to achieve the Proponent's personal ends, which are not in the common interest of the Company's shareholders, and requiring the Company to include this Proposal would allow the Proponent to continue to subvert and abuse the Rule 14a-8 process to advance his personal interests that are not in the common interest of the Company's shareholders.

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2024 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8.

³ See Staff Legal Bulletin 14L (Nov. 3, 2021).

GIBSON DUNN

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We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Kira Schwartz, the Company's Executive Counsel, Corporate, Securities and Finance, at (617) 306-3079.

Sincerely,



Ronald O. Mueller

Enclosures

cc: Brandon Smith, Vice President, Chief Corporate, Securities and Finance Counsel,
General Electric Company
Kira Schwartz, Senior Counsel, Corporate, Securities and Finance, General Electric
Company
Martin Harangozo

GIBSON DUNN

EXHIBIT A

From: [Martin Harangozo](#)
To: [Martin J \(GE Indust ConsInd\) Harangozo](#); [~CORP ShareholderProposals](#)
Subject: 2024 GE shareholder proposal. I intend to hold requisite number of shares until the close of the 2024 shareholder meeting. Martin Harangozo. You know me.
Date: Thursday, October 19, 2023 3:53:09 PM

Performance For Life

Whereas from 1892 to 2007, General Electric has appreciated on average nearly 7 percent. The last three decades however, General Electric experienced temporary unsustainable performance surge followed by drastic performance decline or free fall. General Electric valuation followed, enabling key executives to earn huge profits from performance swings, repositioning themselves favorably following General Electric performance free fall. The unsustainable performance surge included nineteen percent per share net earnings growth 2000 or twenty seven percent improvement over fifteen percent per share earnings 1999. Dividend increases were seventeen percent 1999, 2000. Some shareholders believed General Electric could consistently double share net earnings approximately every four years. Hundreds of executives earned hundreds of millions, justified by General Electric's valuation. Chief Executive Officer compensation was compared to company valuation increases. Mister Welch earned hundred twenty five million one year in part to company valuation. Mister Immelt sold 85,000 General Electric shares, many with prices over 57 near all time high price of around 60.

Following 2000 General Electric realizes hundreds of billions in valuation losses. The fantastic performance from the temporary unsustainable earnings surge is criticized by Wall Street journalist Kathryn Kranhold. General Electric per share net earnings growth becomes negative and declines by 37 percent in 2009.

A comparison of long term investor returns to Immelt highlight tremendous alignment opportunities. The investor purchasing shares Immelt sold on Oct 17, 2000, for 57.75 would in twelve years Oct 16, 2012 at share price of 23 experience decline of 60 percent. Immelt however can take comfort. When Immelt sold 40000 shares at 57.75, he could buy them at 6.67 earning handsomely 766 percent. Following company's performance free fall, Immelt buys at 9. Rising from 9 to 23 on Oct 16, 2012, earns Immelt additional hundred fifty percent yielding a total handsome gain over 2250 percent. The book "The Warren Buffet Way" Warren is quite content to hold securities infinitely so long as the prospective return in equity capital of the underlying business is satisfactory, management is competent and honest, and the market does not overvalue the business". By removing current opportunity to profit enormously from extreme performance swings driving accompanying valuation swings, management can be aligned to the long term investor, as the company has committed to return one half net earnings to shareholders in dividends.

This proposal recommends that General Electric improve its stock ownership and holding requirements so that senior executives hold any shares they receive in connection with the exercise of stock options for the life of the executive. This applies only to stock issuable upon exercise of currently unexercised options. The executive can earn the dividends and bequeath the shares.

GIBSON DUNN

EXHIBIT B

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

General Electric Co Annual Shareholders Meeting

EVENT DATE/TIME: MAY 03, 2023 / 2:00PM GMT

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

Thank you, Mr. Chevedden. The Board recommends against this proposal for the reasons that are set forth on Page 65 of the proxy statement. I understand that Martin Harangozo is on the line today to present the shareholder proposal on the sale of the company. Operator, could you please open the line for Mr. Harangozo now?

Martin Harangozo

Thank you. Good morning. My name is Martin Harangozo. I am grateful to be a shareholder. I love this company, people and products. I've been a shareholder more than 30 years, most of my life. I've been an employee more than 20 years, most of my career. My retirement, savings and quality of life rely in part on the success of this company. I want only the very best for this company for the short and long term. I care enough to raise my hand to stand here and speak. I do not know of a more honorable shareholder pension.

Since the year 2000, General Electric, the most valuable U.S. company lost most of its valuation while the broader stock market tripled in value. Clearly, something is wrong. This morning, there are three topics I will cover: the road to bankruptcy, intelligent capital allocation, shareholder relations. The road to bankruptcy is a natural by-product of the lack of intelligent capital allocation. Jeff Bezos said someday Amazon will go bankrupt. We can all agree that the light bulb of Thomas Edison will not sell for a profit today.

To avoid bankruptcy, all Bezos needs to do is invest half of earnings into an index fund. This will grow with the broader market. The 150-year history is about 9% compounded annual growth. Intelligent capital allocation, the critical ingredient to survival and growth raises an important question. Is there a system with a long history of success? Fortunately, the answer is a resounding yes. The system outlined in the book, *The Intelligent Investor*, by Benjamin Graham, who changed his name from Benjamin Grossbaum is endorsed by the legendary investor, Warren Buffett.

Buffett writes in the fourth edition of this book that several students of his system have phenomenal outperformance against the broader market. The General Electric Company performance supports the system outlined by Benjamin Grossbaum. Let's look at three interesting data points. Of the 7 criteria for intelligent capital allocation, Benjamin Grossbaum mentions company size, earnings growth and financial strength. When the former GE leader, Jack Welch (inaudible) GE businesses to be #1 or #2 in size, GE prospered and became the most valuable company. When former leader Jeff Immelt bought businesses with declining earnings, contradicting Benjamin Grossbaum's direction of business growth, GE lost valuation. At the 2012 shareholder meeting, I encouraged financial strength, again a criteria among the guidelines by Benjamin Grossbaum, I brought the slogan GE Worked for Me Debt Free. Jeff Immelt laughed at me. The company's performance since then is certainly not funny.

So we see that when we follow Benjamin Grossbaum, we prosper. When we contradict Benjamin Grossbaum, we fail. Regarding shareholder relations, Jack Welch adamantly mentioned that any door can show short-term growth. You squeeze and squeeze until there's nothing left. And 5 years later, the whole place collapses. Some shareholders believe that Welch's right hand man Jeff Immelt helped squeeze and squeeze, GE fattening the stock option opportunities, Immelt knew that squeezed company will collapse and sold millions in options before being selected as CEO. Welch was impressed that Immelt quite naturally parachuted out. He elected Immelt as CEO (inaudible) the company to make themselves rich in stock options. (inaudible)

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

Mr. Harangozo, we discussed before the call both the time limit for your question as well as asking you to keep the subject of your comments to the subject of your proposal. We're well past the time now, and it feels like we're veering off of the comments about your shareholder proposal. I'll give you another minute here to wrap up, if you will. But please return your comments to the shareholder proposal and bring them to a conclusion, please.

Martin Harangozo

Immelt sold his options but purchased billions in GE shares with shareholder money as a cover-up. This justifies clawbacks. GE management should clearly inform shareholders of this collapse technique to avoid future collapses. Until this happens, I urge all shareholders to vote for selling the company shareholder proposal number 2.

GIBSON DUNN

EXHIBIT C

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

General Electric Co Annual Shareholders Meeting

EVENT DATE/TIME: MAY 04, 2022 / 2:00PM GMT

required by law. We'll take up the election of directors and the management proposals first. Then we'll turn to the shareholder proposals. After presentation of the management and shareholder proposals, we will address questions that are specific to those topics. There will also be time later in the meeting for questions on other business matters. But first, we'll address the items in the proxy statement.

First up is the election of directors. I place before the meeting to serve as directors for the coming year the 13 individuals who were introduced by Larry at the start of the meeting and whose backgrounds and qualifications are described in more detail in the proxy statement. Your Board of Directors recommends a vote for each of the director nominees.

The next item is the proposal to approve our named executives' compensation. Your Board of Directors recommends a vote for the approval of our named executives' compensation.

The next item is ratification of Deloitte as independent auditors for 2022. We have with us on the line today, John Rhodes, Deloitte's lead audit partner for the GE Audit; and Joe Ucuzoglu, CEO of Deloitte. Your Board recommends a vote for the ratification of Deloitte as independent auditors for 2022.

Last up for the management proposals is approval for the 2022 long-term incentive plan. Your Board of Directors also recommends a vote for this proposal.

As I said earlier, we will address any questions on these management proposals in a few minutes after we hear the shareholder proposals and before the conclusion of balloting.

So now let's turn to consider the shareholder proposals listed in the agenda. I understand that Martin Harangozo is online today to present the shareholder proposal on the cessation of stock option and bonus programs.

Operator, please open up the line for Mr. Harangozo.

Martin Harangozo

Thank you. Good morning. My name is Martin Harangozo. I'm grateful to be a shareholder. I love this company, people and products. I've been a shareholder more than 30 years, most of my life. I've been an employee more than 20 years, most of my career. My retirement savings and quality of life rely in part on the success of this company. I want only the very best for this company for short and long term. I care enough to raise my hand to stand and to speak. I do not know of a more honorable shareholder or intention.

In 1998, a GE recruiter asked me to explain a situation where I had a disagreement with the boss. I had much to say and gave an example of how I presented a new idea that was eventually accepted and performed better than what was on the table. GE was then looking for people that would raise their hand, bring fresh ideas and drive change. I was hired on the spot. I joined GE on the prestigious manufacturing management program. I worked on real projects. I made real money. Received raises, promotions, stock options and awards. I was encouraged to raise my hand.

The Board and Chairman has sufficient confidence in the company that their leadership would routinely split the stock shares as they near the \$100 level. The stock went up tenfold, former CEO, Jack Welch, embraced my shareholder meeting comments and televised them. I was the happiest engineer in the country. GE became the most valuable U.S. company as well as the most valuable Dow company.

Reading the annual reports from 1990 to 2000 could cause one to believe GE has important businesses with large entry moats led by 8 players who were Six Sigma Black Belt certified that would bring value to the customers to outperform competitors, what could possibly go wrong? The current pay structure incentivized a few leaders at the top to manipulate the stock price to make them rich, collapsing the company.

General Electric the same company that televised my shareholder comments under Welch is now paying an inordinate amount of money to prevent my comments at shareholder meetings but are unsuccessful. Clearly, we need a new pay structure to incentivize on the

sustainable performance and growth. This example is in front of us, while Larry Culp cries with never ending excuses, Berkshire Hathaway sets new stock price records even after having grown eightfold since 2000.

To fix the General Electric Company, shareholders need to copy what works well and abandon those practices that failed GE. At Berkshire Hathaway, the CEO earns \$100,000 per year. It should be more than enough for our CEO, let him or her take ownership in the company and perform to receive higher compensation. Jeffrey Immelt laughed at me when I brought the slogan to, "GE works for me, debt free." Larry Culp wants hundreds of millions in pay to check our debt or effectively do what I recommended at the 2012 Shareholder Meeting 10 years ago.

It would be indifferent, negligent and remiss to see GE's collapse firsthand and not say anything. To emphasize the manipulation mentioned, GE printed in the published proxy statement of 2013 that paid fines to the SEC for cooking the books. 2011 appliance company sourcing boss, Matthew Johnson stated, "We do not necessarily want to do it as we need to tee it up as a possibility where you can recognize income versus cash, depends on which is more important to the business at the time." Counting income for 1 year for parts not projected to be sold until well into the following year is inconsistent with SEC accounting rules.

I urge all shareholders to vote for a cessation of stock options and bonus programs, shareholder proposal #1.

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

Thank you, Mr. Harangozo. The Board recommends against this proposal for the reasons that are set forth on Page 59 of the proxy.

Next up, I believe Michael Varner from SOC Investment Group is on the line today to present the shareholder proposal on ratification of Termination Pay.

Operator, please open up the line for Mr. Varner.

Michael Varner

Thank you. My name is Michael Varner, and I'm the Director of Executive Compensation Research at SOC Investment Group. I hereby move Proposal 2, ratification termination pay. While we are only proposing that this policy cover new and renewed executive severance approvals, we note that shareholders overwhelmingly rejected GE's say-on-pay proposal at the last annual meeting after the Board, in August 2020, significantly lowered goals for its CEO, Larry Culp's Leadership Performance Share Award that was awarded when he joined the company. This award was contingent on at least 50% increase in stock price, at which time the award would have been worth \$46.5 million.

It's in the best interest of GE shareholders to be protected from potential windfall payments that can arise from, among other things, lowering goals and subsequently receiving unduly large payouts upon a termination without cause, which is a very real possibility at GE, particularly considering the recently announced spin-off of its Healthcare and Renewable Energy and Power businesses. Such spin-offs can be accompanied by executive terminations. We believe adoption of this policy would benefit long-term shareholders' interests. Thank you.

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

Thank you, Mr. Varner. The Board recommends against this proposal for the reasons set forth on Page 61 of the proxy.

Alex Brown is presenting the shareholder proposal regarding an employee representative Director. Please go ahead, Ms. Brown.

Alex Brown

Fellow shareholders, my name is Alex Brown. I'm a GE retiree from the Lynn, Mass plant. For 38 years, I cut parts, assembled jet engines and worked hard to make high-quality products. I'm also a shareholder and deeply invested in the long-term viability of this company.

Today, I ask for your vote in favor of a nonexecutive employee on the Board of Directors because workers create essential value for GE. Our knowledge, skill, and care make good products. GE needs somebody on the Board that cares about the products, knows what it

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

General Electric Co Annual Shareholders Meeting

EVENT DATE/TIME: MAY 04, 2021 / 2:00PM GMT

First up is the election of directors.

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

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

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

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

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

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

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

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

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

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

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

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

Martin Harangozo

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

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

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

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

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

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

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

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

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

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

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

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

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

Kam Franklin

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

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

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

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

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

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

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

Lila Holzman

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

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