WHEREAS: The Intergovernmental Panel on Climate Change reports that immediate and significant emissions reductions are required to stave off the worst consequences of climate change.[1] Decarbonizing the energy sector, which accounts for nearly 75% of global greenhouse gas (GHG) emissions, is critical to achieving the global 1.5 degree Celsius (1.5°C) Paris goal.[2]

Despite the need for swift action to reduce GHG emissions, the General Electric Company (GE), whose technology is used to produce 30% of global electricity, continues to expand global reliance on fossil fuels through the sale of high-emitting, long-lived products including natural gas-powered turbines and liquid natural gas infrastructure.[3] The emissions from downstream use of these carbon-intensive products accounts for 90% of GE's total carbon footprint.[4] Continued investments in such high-carbon energy infrastructure locks in high emissions for decades, jeopardizing the achievement of global net zero targets.[5]

In the past year, GE's sales of natural gas-powered turbines have increased.[6] While GE has a future goal of producing 100% hydrogen-capable turbines by 2030,[7] use of hydrogen is not currently commercially feasible,[8] nor can GE require turbine customers to actually use high-cost hydrogen in their turbines. Similarly, GE's proposed future integration of renewable natural gas and carbon capture into its energy infrastructure poses long-term scalability and cost hurdles.

On the other hand, GE is currently experiencing "unprecedented growth in demand for onshore and offshore wind turbines," and it notes the Inflation Reduction Act "is expected to resolve recent U.S. policy uncertainty... and significantly increase near- and longer-term demand in the U.S. for onshore and offshore wind projects."[9]

In 2021, nearly 98% of shareholders voted in support of GE disclosing its intent to align with a Net Zero goal. The Company's continued sale of high-emitting gas products is contrary to this goal and exposes the Company to the physical, regulatory, and market risks of an economy rapidly transitioning away from fossil fuel energy.

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[1] https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_FullVolume.pdf p.20
[2] https://www.iea.org/data-and-statistics/data-tools/greenhouse-gas-emissions-from-energy-data-explorer
[3] https://www.ge.com/sites/default/files/ge2022_sustainability_report.pdf p.18
[4] https://www.ge.com/sites/default/files/ge2022_sustainability_report.pdf p.13
[5] https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_FullVolume.pdf p.95
[6] https://d18rn0p25nwr6d.cloudfront.net/CIK-0000040545/291bb59a-1689-4400-8f57-ef9744ef9f51.pdf p.11-12
[7] https://www.ge.com/sites/default/files/ge2022_sustainability_report.pdf p.35
[8] https://www.eia.gov/energyexplained/hydrogen/use-of-hydrogen.php
[9] https://d18rn0p25nwr6d.cloudfront.net/CIK-0000040545/291bb59a-1689-4400-8f57-ef9744ef9f51.pdf p.10

BE IT RESOLVED: Shareholders request that GE issue a report, at reasonable cost and omitting proprietary information, assessing the risks and opportunity costs of continued capital investment into high-carbon energy products as compared to renewable energy products.

SUPPORTING STATEMENT: The report should assess, at Board discretion:

- The regulatory, transition, stranded asset, climate, and competitive risks associated with continued investment in natural gas-powered products;
- The comparative benefits and risks of investing in the Company's renewables segment; and
- The extent to which continued investment in high-carbon natural gas products conflicts with GE's commitment to the Paris Agreement's 1.5°C goal.