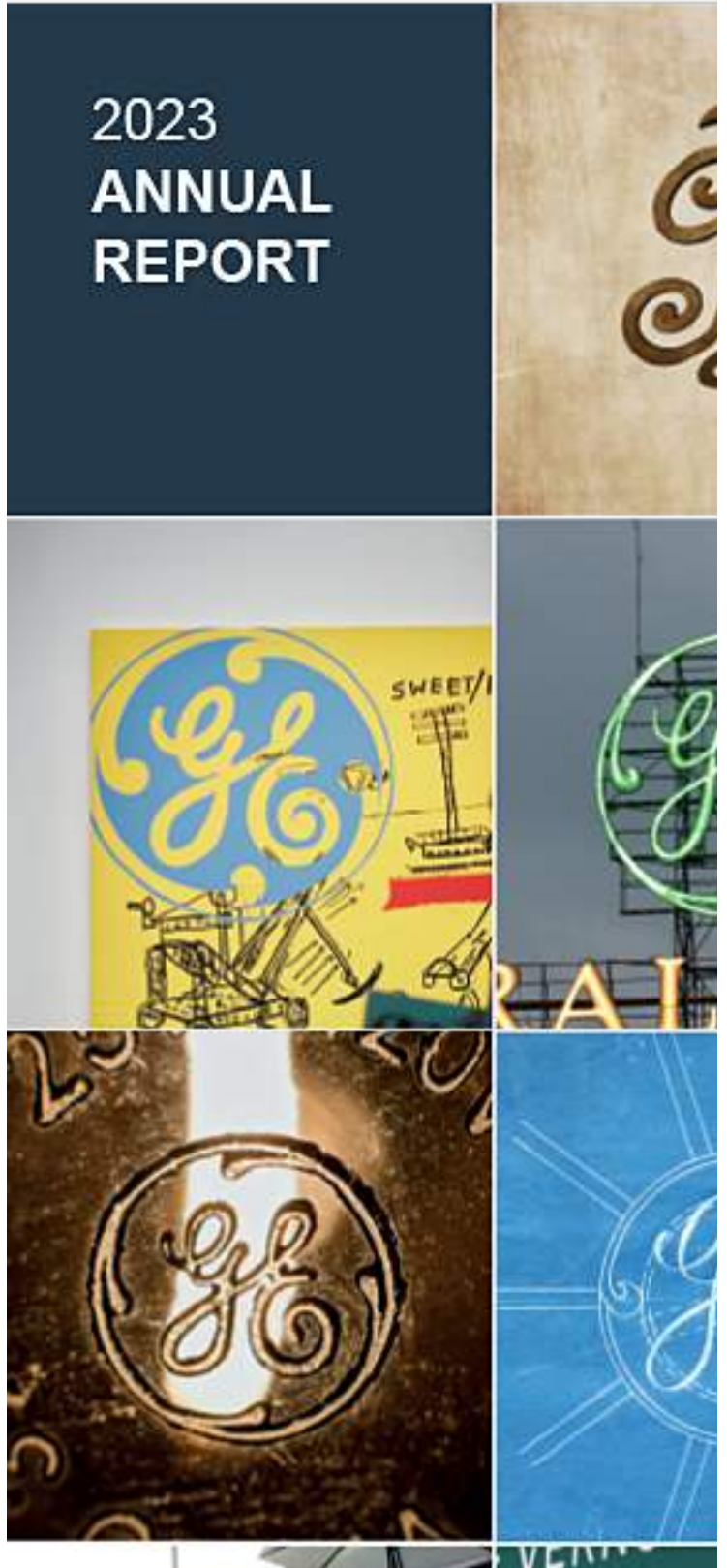


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## Dear fellow shareholders,

We are excited and ready for the future, inspired by GE's proud history.

That history is as singular as it is special. For more than 130 years, GE put its stamp on invention and innovation. We have done so quite literally with GE's Monogram appearing on technologies as small as lightbulbs and X-Ray tubes and as large as the world's most powerful jet engines and gas turbines. Our products and services have helped people cook dinner in their kitchen and power entire cities.

GE's imprint is synonymous with progress itself.

For as long as we have been dedicated to that important work, we have detailed our efforts in this letter. Since it was first published in 1893, GE's leaders have used this space to chronicle our performance and share with you what's ahead.

This document always has been about more than our financial performance, though. It's told the continuous story of GE's culture and how our values are embedded in the purpose of building a better world. We remain acutely aware of and humbled by our responsibility to shareholders, customers, and society. And we recognize that our team still, and always, strives for results.

In GE's very first letter, Charles Coffin, the CEO whom Thomas Edison called the best businessman he ever knew, wrote that the creation of the General Electric Company was "largely because of the zeal and hearty co-operation" of our employees.

This year's letter is our last for GE in its current form, [having spun off GE HealthCare](#) last year and now preparing to launch [GE Vernova and GE Aerospace as independent companies](#) in early April. The credit again is due to the remarkable grit and resilience of the GE team.

But we are not marking the end. This is the beginning.

Belief in a better way has propelled this company forward since our earliest days. Today, in an ever-challenging environment, GE employees are embracing a lean philosophy rooted in kaizen, "change to make it better." They are delivering for our customers by listening, learning, and executing. Step-by-step, one process at a time, they are advancing safety, quality, delivery, and cost, **in that order**, serving our customers and each other with deep respect.

There is not a better symbol of that dedication than the instantly recognizable [GE Monogram](#). The scripted and merged letters are familiar but also forward-looking, even and especially as GE's three parts transform to become their own independent wholes.

The merging of great people with great purpose. The connecting of plans and performance. The encompassing of how, as Edison would say, we find out what the world needs and try to invent it. Our new companies each will carry the Monogram forward because this is what they each will do.

Let's take a closer look at our businesses.

## Momentum building

2023 was an excellent year for the GE team. With strong demand in our end markets and with better execution, we more than tripled earnings and generated almost 70 percent more free cash flow\* than in 2022.

We monetized about \$9 billion in proceeds from our equity stakes in Baker Hughes, AerCap, and GE HealthCare. While GE has now fully exited our

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Our teams have worked hard to prepare to launch as independent companies and now are operationally ready to go so. You'll see GE Vernova trade as GEV on the New York Stock Exchange (NYSE) following its spin-off, and GE Aerospace will continue to use the GE stock ticker, remaining on the NYSE. Our leadership teams are both ready, and we announced both boards of directors, recruiting current and new directors to join us.

To assemble teams like these is part of why we wanted to form independent, industry-leading companies in the first place—to be in the best position to bring together talented people with specific depth and passion to help GE Vernova lead the energy transition and GE Aerospace invent the future of flight. And both companies had exceptional years.

## GE Aerospace

**GE Aerospace**<sup>[1]</sup> drove double-digit revenue, profit, and cash growth in the year, with continued strength in **Commercial Engines and Services**. Services represented about 70 percent of GE Aerospace's revenue—generally a recurring, resilient, and higher-margin source of revenue that keeps us close to our customers' needs.

The post-pandemic commercial aerospace recovery remains robust. It's no surprise, then, that demand for new builds and aftermarket services is soaring, powered both by the world returning to flight and airlines looking to expand and modernize their fleets. The International Air Transport Association expects 4.7 billion passengers to fly this year—breaking pre-pandemic levels.<sup>[2]</sup> Global airline CEOs tell me they are largely bullish about 2024; they want more engines and more airplanes from our airframer customers, and they need more of our support in the field to keep their fleets flying.

Today, our 44,000<sup>[3]</sup> commercial engines power three out of every four flights. Our Commercial Engines and Servicesteam is serving customers like Emirates, who ordered 202 additional GE9X engines this year for its new 777X fleet. Along with our partners, we announced more than 280 engine orders at the [Paris Airshow](#) and more than 450 engine orders at the [Dubai Airshow](#), including Air Arabia's order for 240 CFM LEAP-1A engines.

While commercial engine deliveries were up 25 percent and internal shop visits were up 10 percent in 2023, we're navigating a still-challenging supply chain. We know our airline, airframer, and lessor customers want more from us. We will deliver, driving sequential improvements both in our own operations and hand in hand with our suppliers.

Our **Defense** and **Systems** businesses power two-thirds of combat and rotary aircraft worldwide, including crucial programs like the F-16, F-18, Apaches, and Blackhawks. GE's unmatched engine technology helps to strengthen defense cooperation across the globe, such as through our agreement with Hindustan Aeronautics Limited to jointly produce F414 engines for the Indian Air Force.

Meanwhile, we're investing in future-facing platforms like Future Vertical Lift and Future Attack Reconnaissance Aircraft (FARA). Last fall, the U.S. Army accepted two T901 flight test engines for its FARA prototypes. Our defense customers' ask of industrial partners like us is clear: support their readiness while delivering more, and more predictably.

On both sides of GE Aerospace's house, then, you can see blockbuster demand for what we offer. The onus is on us to rise to meet that demand maintaining the highest standards of safety and quality and with greater predictability and speed.

Enter lean. The GE T408 engine, for example, powers the fast-growing CH-53K King Stallion, and volume on the engine is growing 300 percent year-over-year. With such an intense ramp, any delay or bottleneck matters a lot. That's why last November, business leader Alex Stone, lean leader Camille Latour, and advanced engine mechanics Frank Stewart and Vinnie Falls led a cross-functional team through a kaizen event at our Lynn, Massachusetts, plant.

Coming into the event, our build time on the T408 was around 75 hours with two mechanics working simultaneously on two separate engines to meet demand. Our goal: Take that 75 hours down to under 32, with one mechanic working at a time.

By the end of the week, engineers and operators working together on the floor identified opportunities both big and small; saving hours of prep time by using a heat gun instead of an oven to treat a compressor rotor, for example. The result was reducing build time to just 11 hours with one operator, all the while enhancing safety and quality.

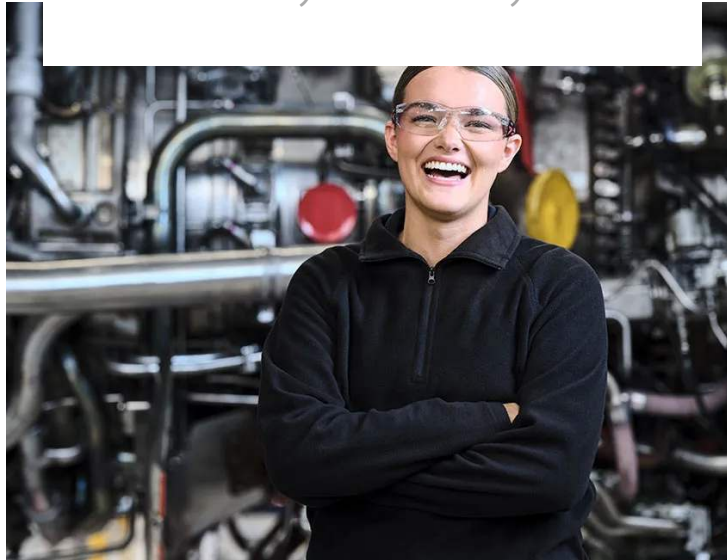
75 to 11 is the kind of change that takes your breath away. But to me, the best part was the fact that on Thursday of that week, the team was already talking about how they were going to do better than 11; what they could do next.

That is the spirit of lean and kaizen. Always getting better. Your mindset shifts to look for opportunities at the most granular levels, day in and day out, to enhance performance and eliminate waste.

These steps, scaled and compounded across our teams, help customers and support our own businesses. This "power of the 'and'", as Jim Collins would say, is the magic that frankly becomes addicting as the improvements build on themselves and grow.

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"Belief in a better way has propelled this company forward since our very earliest days."



## GE Vernova

**GE Vernova**<sup>[4]</sup> delivered meaningfully better results in 2023 as Renewable Energy and Power together generated positive profit and free cash flow\*. The team has made significant progress with room for more.

And around the globe, customers are investing heavily to electrify and decarbonize their infrastructure and increase energy security, which policy catalysts in the U.S. and Europe are accelerating. This is creating significant demand for what we offer. We secured our largest-ever wind order to support what is expected to be the largest wind project in U.S. history, supplying 2.4 gigawatts to Pattern Energy's [SunZia project](#) in New Mexico. In Europe, GE-led consortia were awarded five 2-gigawatt framework agreements with TenneT to execute [HVDC projects](#) in the Netherlands and Germany.

The proof points we needed to see at **Renewable Energy** to confidently spin off GE Vernova came to fruition in 2023. Grid and Onshore Wind, our two biggest businesses there, turned the corner to profitability, with Grid profitable for the year and Onshore Wind in the back half. We expect both will grow profitably from here, with margins in backlog demonstrating their pricing discipline: Grid's expanded by five points and Onshore Wind's by more than 10 in equipment.

There's a good bit of self-help at play here, too. At Onshore Wind, we've significantly reduced fixed cost while focusing on what we call "workhorse" products—ones we can produce and scale efficiently, safely, and cost effectively, rather than bringing a new turbine to market every six to nine months.

Offshore Wind had a difficult year as we work through a tough backlog, which we expect to largely complete over the next two years. The broader industry is ready for the reset that is now underway. Meanwhile, the team is applying what we've learned in our other businesses—focusing where we can play, win, and do so profitably. We think Renewable Energy can be a high-single-digit operating margin business in time.

**Power** has transformed into a solid cash generator with an enviable services business, delivering about \$2 billion of free cash flow\* in 2023 with

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Carolina, traced the distance a steel blade would travel through the plant during the manufacturing process and cut it from 3 miles to just 165 feet. We still cite that example across our teams because it demonstrates so plainly what is possible through lean. Today, we look to Power and to sites like Greenville to model sustainment.

With Power's continued strength, Grid and Onshore Wind delivering profitably, and our plan for Offshore Wind, GE Vernova is ready to go.

[4] GE Vernova refers to the sum of our Renewable Energy & Power segments, without giving effect to eliminations & Corporate adjustments. On a stand-alone basis, GE Vernova will include GE's portfolio of energy businesses

## Onward, to the future

Fit for purpose for the next century-plus, GE Aerospace and GE Vernova each are global leaders in vital industries that will only become more important over time. And as independent companies, each will be wholly focused on their customers and industry stakeholders.

**GE Aerospace** will be a global aerospace propulsion, services, and systems leader defining the future of flight. Our commercial propulsion fleet is the industry's largest and youngest, carrying nearly 3 billion people with our technology under wing annually thanks to our world-class engineering and services teams.

Our customers want step changes in efficiency and fuel consumption, and through programs like [CFM International's RISE](#), we're investing in pioneering technologies to achieve just that—including in open fan engine architecture, compact core, hybrid electric systems compatible with 100-percent Sustainable Aviation Fuel (SAF), and direct hydrogen combustion. We completed more than 100 tests as part of this program so far.

And in defense, we're proud to be the rotorcraft and combat engine provider of choice while innovating capabilities for future combat. Our adaptive-cycle XA100 engine, for example—estimated to provide pilots up to 25 percent greater fuel efficiency and 30 percent greater range—recently completed its third round of rigorous prototype testing.

Our trajectory at GE Aerospace suggests sustained mid- to high-single-digit growth long term, potentially surpassing \$40 billion of revenue in a few years. We're laying in our lean operating model for GE Aerospace, which we'll call FLIGHT DECK, so that we can perform at much higher levels in ways that I think will serve us well going forward.

**GE Vernova** isn't just a great turnaround story. It's a great value creation story, too. The world is looking for someone to lead the energy transition at scale—someone credible, innovative, and capable. With roughly 30 percent of the world's electricity generated with the help of its vast installed base, and demand for electricity projected to grow rapidly, GE Vernova is a glove fit for this vital mission, one that carries with it multi-decade tailwinds and impact.

Growing electrification around the world while decarbonizing the power sector is a challenge we are proud to help our customers solve. Our state-of-the-art gas technology can reduce emissions by two-thirds compared to the average for installed coal, which still generates 75 percent of the electricity sector's emissions. Gas represents a crucial alternative and complements our renewable power offerings and efforts to strengthen the grid. We're also advancing carbon-reducing and carbon-free generation technologies, such as carbon capture and removal, hydrogen combustion, and nuclear, including small modular reactors.

As a standalone company, GE Vernova expects substantial profit and free cash flow\* growth in 2024. Importantly, the team will strive to operate according to a set of shared principles that define how we create value for our people, customers, shareholders, and planet. We call this the GE Vernova Way—core cultural principles that will carry forward the inimitable GE DNA centered on innovation, customer focus, and humility.



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"Each company will make an indelible mark, putting their stamp on our lives and society."

In that 1893 letter, Charles Coffin begins by mentioning how three companies merged to form one GE. As we near completing our splitting into three, it's hard not to reflect at such a full circle moment, including about how far we have come.

Recently, I was out with my family watching the Bruins play when I ran into Matt Gregg, a GE Aerospace engineer. Matt works alongside his brother, Josh, and father, Scott, at our Rutland, Vermont, facility. Matt excitedly told me how proud he is of his group's progress.

Not long ago, the tenor among the many who care deeply for GE was very different. Some worried and others had lost hope that our company would survive. At my first GE Annual Shareholders Meeting, in Pittsburgh, Pennsylvania, in 2018, I was awed by the participation of current and former employees. Some had traveled quite far; others shared how they were the second or third generation in their family to work for GE. Many were frustrated ... or worse. All were passionate, though, for GE to serve the world as it was meant to.

We embraced reality head on, taking disciplined and deliberate steps to tackle our challenges while investing to protect what made GE special. We set two clear goals: One, improve our financial position to deal with our debt load. Two, improve our operations to strengthen our businesses. Lean, with its relentless focus on the customer and pursuit of continuous improvement, makes our efforts sustainable and is leading to lasting culture change.

With more than \$100 billion of debt reduction behind us and hard-won progress deep within our businesses, managed amid a pandemic, supply constraints, and other external shocks, we're operating in end markets full of near- and long-term opportunities. We're entering our future as independent companies from a position of strength.

As we stand on the cusp of this future, like Matt, I can't help but feel immense pride and gratitude. I feel it when I look at the GE sign that sits on my family's farm or think about my mentors who grew up in this company. GE's stamp is on my life, too, and that affinity is shared by millions around the world since that very first letter.

All we have done, and all we will do, is a function of the GE team. Most of all, I'm proud of this.

With unmatched passion and talent, the people of GE remain at the heart of our efforts, including reinventing ourselves. Challenges can become opportunities when humility joins with optimism, leading us to believe that a better way is possible. Our goal has never been good enough, or a company that's just better off. It is to build a world that works better. Period. I'm grateful for the opportunity of a lifetime to work each day alongside this team.

Gene Kranz, the legendary Flight Director at NASA said, "there's an awful lot of future out there, and what you got to do, is ... grab it." Whether it's innovating precision health care, leading the transition to more sustainable, affordable, and reliable energy, or defining the future of flight, GE will continue to grab the future. For more than a century, GE often set the standard. Moving forward and because of our people, GE Vernova and GE Aerospace will join GE HealthCare in doing the same.

Each company will make an indelible mark, putting their stamp on our lives and society. I can't imagine anything more worth doing.

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