# Moving innovation forward

June 26, 2025 2025 Sustainability Report



People

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Download our 2025 Sustainability Report: Supplementary Materials appendix, which contains our Sustainability databook, information about stakeholder engagement, GRI, SASB, and UN SDGs indices, greenhouse gas (GHG) and water methodologies, and a market-based mechanism statement.

Download our TCFD Report. 🔶

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2024 was a historic year for GE Aerospace as we took flight as an independent, standalone public company. We continue to prove we are meant to fly.

#### About this report

GE Aerospace launched as an independent public company on April 2, 2024, and published its 2024 Sustainability Report on September 19, 2024.

This 2025 Sustainability Report covers the environmental, social, and governance activities of GE Aerospace, unless otherwise stated. The performance data in this report and the accompanying Sustainability supplementary report covers the calendar year from January 1 to December 31, 2024. In certain places, there is also commentary about events, achievements, and initiatives that took place during the first half of 2025.

In addition to the United Nations Sustainable Development Goals (UN SDGs), we considered three key sustainability reporting frameworks in developing this report: the Task Force on Climate-related Financial Disclosures (TCFD) framework; industry-specific standards from the Sustainability Accounting Standards Board (SASB); and the Global Reporting Initiative (GRI) Standards (Core). A TCFD Report is available to download, as is our 2025 Sustainability Report: Supplementary Materials appendix, which contains our GRI, SASB, and UN SDGs indices.

The Supplementary Materials appendix also includes our Greenhouse Gas (GHG) Inventory Management Plan, which primarily follows the World Resources Institute/ World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the <u>GHG Protocol</u>). We use the Protocol for all GHG-related definitions, assumptions, and calculations discussed in this document unless explicitly stated otherwise, reporting under the "operational control" approach. To learn more about our GHG inventory and energy inventory process methodology, see our GHG Inventory Management Plan.

Carbon emissions data has undergone limited assurance by Stantec, an external third party, for base year 2019 (Scopes 1 and 2) and reporting years 2023 and 2024 (Scopes 1, 2, and 3 from the use of sold products for commercial engines). GE Aerospace water data has also undergone limited assurance by the same external third party for 2024 data (see the verification statements and applicable data assertions). Internal resources have reviewed the other information and data within this report for quality, completeness, and accuracy.



#### Our purpose

We invent the future of flight, lift people up, and bring them home safely.

People



#### Forward-looking statements

This report contains "forward-looking statements" statements related to future events that, by their nature, address matters that are uncertain to different degrees.

See the investor relations section of our website for details of the uncertainties that may cause our actual future results to be materially different than those expressed in our forward-looking statements, as well as our annual reports on Form 10-K and quarterly reports on Form 10-Q. We do not undertake to update our forward-looking statements.

#### Non-GAAP financial measures

In this report, we sometimes use information derived from consolidated financial data but not presented in our financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). Certain of these data are considered "non-GAAP financial measures" under the U.S. Securities and Exchange Commission (SEC) rules. These non-GAAP financial measures supplement our GAAP disclosures and should not be considered an alternative to the GAAP measure. The reasons we use these non-GAAP financial measures, and the reconciliations to their most directly comparable GAAP financial measures, are included in our earnings materials, our most recent annual report on Form 10-K, and other SEC filings, as applicable.

#### Definitions

**CFM International** is a 50/50 joint venture between GE Aerospace and Safran Aircraft Engines that produces CFM56 and LEAP engine families.

**Engine Alliance** is a 50/50 joint venture between GE Aerospace and Pratt & Whitney that produces the GP7200 engine.

**GE Honda Aero Engines** is a joint venture between GE Aerospace and Honda Aero that produces the HF120 engine.

Revolutionary Innovation for Sustainable Engines (RISE) is a development and demonstration program of CFM International. CFM RISE is a registered trademark.

**Sustainable Aviation Fuel (SAF)** is a type of synthetic aviation fuel. Not all synthetic fuels are SAF.

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# Opening letter from Larry Culp



At GE Aerospace, more than a year into our journey as a standalone public company, our purpose remains clear: Invent the future of flight, lift people up, and bring them home safely. Right now, there are approximately 950,000 people in the sky with technology made by GE Aerospace and our joint venture partners under wing. We take this responsibility seriously.

Our sustainability framework is built with four key pillars safety, environment, people, and governance. We are focused on delivering for our customers while managing risk and creating long-term value.

#### Safety first, always

Everything at GE Aerospace starts with safety. We operationalize flight safety through our Safety Management System (SMS). This is a robust framework that defines the criteria for safety of flight and reinforces our culture of open reporting, where every employee is expected to raise a concern. Paired with SMS is our Quality Management System (QMS), designed to support our teams in producing quality parts to specification every time while complying with all regulations. These critical systems set clear standards for our teams across GE Aerospace.

Together with FLIGHT DECK, our proprietary lean operating model, everything we do is driven by safety, quality, delivery, and cost (SQDC)—in that order. FLIGHT DECK is in action across our operations, from solving safety issues on the shop floor in Lynn, Massachusetts, to optimizing repair capacity at our On-Wing Support sites. One example in Lynn is how our teams used FLIGHT DECK to analyze injury data and implement targeted prevention measures, resulting in a 55% reduction in injuries since 2022. At GE Aerospace, safety always comes first, and every stepchange improvement in safety matters. When it comes to safety, we never compete—it is an industry-wide priority.

#### **Delivering on innovation**

With more than 70,000 engines in service, we remain focused on innovation that delivers tangible customer benefits for today, tomorrow, and the future.

Today, we're improving operational predictability for CFM LEAP customers. Last year, the FAA certified more durable high-pressure turbine (HPT) hardware for LEAP-1A engines, which will extend time on wing. At the same time, the rapid incorporation of these engines' new reverse bleed system (RBS) will reduce on-wing maintenance. Both translate to less downtime for airlines.

For the future, we're advancing the XA102 adaptive cycle engine, having completed a Detailed Design Review, which confirms readiness to procure, assemble, and test a XA102 full-scale demonstrator engine, delivering major gains in fuel efficiency and mission flexibility.

CFM International's RISE program is redefining the trajectory of commercial flight, with bold progress on advanced architectures like Open Fan, compact core, and hybrid electric technologies aimed at delivering at least 20% better fuel efficiency compared to engines today while meeting customer durability expectations. Since launching the RISE program, we have completed over 350 tests toward ground and flight tests this decade. In collaboration with Boeing, NASA, and Oak Ridge National Laboratory, we are leveraging supercomputing to model the integration of an Open Fan design on an aircraft wing, optimizing aerodynamics and efficiency. Airbus also revealed at its 2025 Summit the nextgeneration aircraft technologies it's advancing, including Open Fan designs. CFM and Airbus continue working together on engine and aircraft integration for an Open Fan Flight Test Demonstrator this decade.

Innovation also drives how we operate. In 2024, we reduced Scope 1 and 2 carbon emissions by 43% from our 2019 baseline through investments in energy-efficient infrastructure and carbon-free electricity use. At our largest engine testing site, we also cut jet fuel use by 15.7% compared to the previous year thanks to FLIGHT DECK and our teams' relentless focus on reducing waste and improving efficiency.

#### Our culture and community impact

Our people are our greatest asset, and a core pillar of our sustainability framework.

Our culture is underpinned by our Behaviors: Respect for People, Continuous Improvement, and Customer Driven. Our global team of 53,000 people is committed to ensuring every innovation—whether in commercial or military aviation—delivers real value to our airline, airframer and defense customers worldwide.

We are also proud of how our team supports each other, especially through our GE Aerospace Foundation. Our community impact arm focuses on STEM, workforce development, disaster relief, and our Matching Gifts program, carrying forward the 100-year philanthropic legacy of the GE Foundation.

The future of flight is being shaped today, and GE Aerospace is proud to be at the forefront.

H. Lawrence Culp, Jr. Chairman of the Board and Chief Executive Officer, GE Aerospace

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# Opening letter from Chris Pereira



At GE Aerospace, our focus on technology leadership powers flight and shapes the future of aviation. In 2024, we reaffirmed this commitment by increasing our investment in research and development, ensuring that we remain at the forefront of aerospace propulsion and services solutions while maintaining our commitment to safety first, always.

We support the aviation industry's ambition to achieve net zero carbon emissions by 2050. GE Aerospace is contributing to this effort through advanced technologies and strategic partnerships while working toward our own goals.

With approximately \$2.7 billion<sup>1</sup> invested in R&D in 2024, our investments drive advancements in fuel efficiency, durability, and performance across commercial and military engines. Since certifying our latest generation of commercial engines—GEnx, CFM LEAP, and GE9X—we continue to innovate with programs such as the CFM RISE technology demonstrator, designed to improve fuel efficiency by at least 20% compared to today's most efficient commercial engines. As part of our work on the RISE program, we have completed endurance tests on high-pressure turbine (HPT) blades earlier in the technology development process than ever before. Focused on hardware fatigue under high-stress takeoff and climb conditions, testing validated improvements in durability and fuel efficiency—two priorities for delivering great value to our customers and advancing the future of flight. In military applications, adaptive cycle engines, like the XA100, are setting new benchmarks for range and performance, ensuring our defense customers stay ahead of evolving mission requirements.

Our Aerospace Carbon Solutions business reflects this same spirit of innovation. In response to customer demand for a more holistic decarbonization approach, the team is exploring scalable solutions for SAF and carbon removal technologies. It also helps airline customers operate more efficiently with software-based emissions consulting through its proprietary SIGNPOST platform. Additionally, our DECISIONX contrail management solution uses atmospheric modeling to enable flight planning that helps predict contrail formation, minimizing the estimated warming impact of persistent contrails. By leveraging our expertise in propulsion systems, we're uniquely positioned to help our customers operate their fleets more efficiently. We are at a pivotal moment in aviation history. As we continue to enhance fuel efficiency, durability, and operational readiness, we do so with the same pioneering mindset that has defined GE Aerospace for over a century. Our engineers don't just accept challenges—they embrace them, knowing that solving the toughest problems leads to lasting progress.

Chila

Christoph Pereira Chief Executive Officer, Aerospace Carbon Solutions (ACS) and Sustainability, GE Aerospace

Technology Operations

People Governance

# GE Aerospace at a glance

On a global scale, the aviation industry provides significant value to society. Air transport facilitates the movement of people, goods, and ideas across the world, as well as powering economic growth, trade, tourism, and investment. GE Aerospace's history of innovation and our global footprint position us well for creating solutions that are key to the growth of the aviation industry. Aviation industry<sup>2</sup>



in global economic impact from aviation (including direct, indirect, induced, and tourism catalytic)



jobs supported by aviation worldwide



scheduled commercial flights worldwide in 2023. In 2024, 38.7 million flights are expected.



global GDP supported by aviation

3.9%

commercial aircraft in service



employees in civil aerospace (engineers and designers of civil aircraft, engines and components, manufacturing technicians, logistics, maintenance, quality assurance, research and development, and executives) GE Aerospace 2024

\$35.1B adjusted revenue<sup>3</sup>

~53k

3 out of 4

commercial flights are powered by GE Aerospace or partner engines<sup>5</sup>



**~70**K 45K commercial<sup>5</sup> and 25K military

aircraft engines installed

~950к

people flying at any given time on GE Aerospace-powered aircraft<sup>5</sup>



- 2 ATAG: <u>Aviation Benefits Beyond Borders</u>, <u>December 2024</u>. ATAG December 2024 report sites Cirium's Fleets Analyzer data as at December 31, 2023.
- 3 Non-GAAP financial measure.
- 4 Amount represents research and development as reported in our 2024 Form 10-K and includes customer and partner funding.
- 5 Includes equipment made by GE Aerospace and joint ventures.

# Driving continued progress with FLIGHT DECK

Operations

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Technology

We have made meaningful progress since we became a standalone company in 2024, but we are only just beginning. FLIGHT DECK is how we are delivering for our customers with a relentless focus on safety, quality, delivery, and cost (SQDC), in that order.

#### Our lean operating model

Launched in 2024, FLIGHT DECK is our proprietary lean operating model. It is how we work, leveraging the Fundamentals, or the tools and principles, to deliver exceptional value, along with <u>our Behaviors</u> that reinforce the culture we aspire to create. As a global company, we are mindful of the impact our actions have on our people, our customers, our suppliers and partners, the communities where we live and work, and the environment. FLIGHT DECK is how we translate strategy into operational and financial outcomes, as well as strategic breakthroughs, all while advancing our culture.

Governance

Teams across the globe are putting FLIGHT DECK into action to drive meaningful impact. Our employees are embracing a continuous improvement mindset and activating FLIGHT DECK in ways that improve our processes and eliminate waste.

Working as one team, with one strategy, one operating model, and one culture, we are delivering on our purpose of inventing the future of flight, lifting people up, and bringing them home safely.



#### **FLIGHT DECK in action**

#### Defense and Systems

Our production facility in Lynn, Massachusetts, designs, produces, assembles, and tests military and commercial aircraft engines and components. In all that we do, safety comes first. For example, a critical overhead crane in the engine assembly area was flagged for safety reasons and immediately shut down. The team used FLIGHT DECK to problem-solve at the point of impact and determine an action. One of the operators came up with a solution that kept production moving while adhering to strict safety protocols. It is examples of continuous improvement coupled with FLIGHT DECK, such as this one, that have helped reduce the site's injury and illness rate by 55% since 2022.

#### Assembly, Test, Maintenance, Repair, and Overhaul (ATMRO)

We have seven On Wing Support (OWS) locations around the world that offer <u>24/7 support to our</u> <u>customers</u>. Depending on the urgency and level of repair needed, team members can work on engines in the shop (off-wing) while others are in the field, performing quick-turn services for engines still installed on the aircraft (on-wing). With the increased production of LEAP engines, the team was keen to streamline the process for a high-pressure turbine (HPT) refresh, a common off-wing repair in which the complex combustor and turbine parts in the heart of the engine can be refurbished or replaced. Using Fundamentals of FLIGHT DECK, a cross-functional team was able to achieve a 170% increase in capacity—opening space to service 41 additional engines—between June 2023 and the last quarter of 2024.

#### Working with our suppliers

Today, we're focused on keeping our customers' fleets flying and delivering on our new engine backlog. Our team is using FLIGHT DECK to tackle supply chain constraints head-on. From the first half to the second half of 2024, we delivered meaningful improvements as material inputs increased 26% across our priority supplier sites.

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Safety

# Our history of innovation

From the turbosupercharger to the world's most powerful commercial jet engine, GE Aerospace's history of powering the world's aircraft features more than 100 years of innovation.

People

Early move into aviatio	s n		Innovating t redefining v	echnologies: vhat's possib	and lle		Building a sefficient fu	smarter and n ture of flight	nore				GE Aerospace launches as a standalone company On April 2, 2024, GE Aerospace
First steps		First U.S. jet engine		First high-bypass geared turbofan		Carbon-fiber composites lift off							public company defining the future of flight.
Engineers test the aircraft engine in 1 Rocky Mountains. turbosupercharge piston engines to power and efficier high altitudes.	e Liberty the . The er enables maintain ncy at	The first U.S. jet engine, the I-A, was designed, built, and tested in six months to power America's first successful jet aircraft for military use.		test the Quiet, Cle Haul Experimenta (QCSEE), the com use of a geared tu which included va composite fan bla composite compo	an, Short- al Engine Ipany's first Irbofan, ariable-pitch ades and ponents.	The GE90 is the first certified commercial jet engine to use lightweight carbon fiber composite fan blades, which reduce weight and increase fuel efficiency.	First airline flight renewable biofue Virgin Atlantic flie Aerospace-powe jet using biofuel i CF6 engines.	using I Is a GE red 747 jumbo n one of the	GE9X aircraft eng The advanced GE designed to delive greater fuel efficie GE90, with nitroge emissions more th regulatory require	ine certified 9X engine is er up to 10% ency than the en oxide (NOx) han 50% below ments.	Hybrid electric sys at 45,000 feet The industry's first class, multi-kilowa electric propulsion tested in simulated altitude conditions	i <b>tem works</b> : megawatt- itt hybrid n system is d high- s at NASA.	Advancing adaptive engine technology We completed the fourth round of testing of the XA100 adaptive cycle engine, advancing new capabilities for the next generation of military aviation.
1918		1942		1978		1995	2008		2020		2022		2024
	1		1		1	-	1				1	_	1
	1919		1955		1988			2016		2021		2023	
	GE Aerospace estal Turbosupercharger aircraft ascends mo 16,000 feet at McCo Dayton, Ohio.	blished -powered ore than ook Field in	First variable stato New compressor to in the J79 engine e rapid engine accel deceleration witho	r flight echnology nables eration and ut stalling.	Unducted turbofa The GE36, an expe engine developed with Safran Aircrat its first transatlant	n crosses the Atlantic erimental Open Fan by GE Aerospace ft Engines, completes ic flight.		CMCs and additive The CFM Internatio enters service with matrix composites additively manufac in the core of a corr aircraft engine.	parts take the heat inal LEAP engine the first ceramic (CMCs) and tured components immercial	CFM RISE program The CFM RISE pro to demonstrate an range of disruptive to drive better fue lower CO <sub>2</sub> emissio commercial engin	n unveiled gram launched Id develop a a technologies I efficiency and Ins than current es.	World's fastest su models new engin The Frontier supe used to model pe CFM RISE progra architecture, opti designs for noise	percomputer ne design rcomputer is rformance of the m's Open Fan mizing engine and performance.



Two I-A engines powered the historic first flight of a Bell XP-59A Airacomet aircraft.

GE Aerospace's GE90 was the first commercial engine with composite fan blades.

The GE Aerospace GE9X engine is being extensively tested before entering service.

# Our sustainability journey

GE Aerospace has a legacy dating back more than a century with sustainability at the core of our future.

Our advancements in engine technology have always focused on fuel efficiency for our customers, which, beyond significant cost benefits, directly impact aircraft CO<sub>2</sub> emissions. We view our ability to increase engine efficiency and reduce emissions as a critical differentiator that provides significant value to our customers, resulting in a competitive advantage to GE Aerospace. We take pride in the progress we have made in recent decades through continuous investment and innovation, delivering engines that enable up to 40% less fuel consumption than those manufactured in the 1970s and 1980s.

#### Environment

Our history of innovation and our global footprint position us well for creating solutions that can help the industry progress toward a net zero future. Our goal to achieve net zero carbon for Scope 1 and 2 operational emissions by 2030<sup>6</sup> is supported by efforts that focus on infrastructure investments and lean operations to improve energy efficiency, and move toward sourcing more carbon-free electricity. We also have an ambition to achieve net zero by 2050 for Scope 3 carbon emissions from the use of sold products for commercial engines. This supports the goal set by the Air Transport Action Group (ATAG) for net zero carbon emissions by 2050.<sup>7</sup> Building on 40 years of investments to make our engines quieter and more efficient, GE Aerospace and Safran Aircraft Engines unveiled the CFM RISE program in 2021. The projects within this program seek to develop a range of disruptive technologies that are more fuel efficient and have lower carbon emissions than current commercial engines.

In 2023, we established Aerospace Carbon Solutions, with a focus on driving "beyond-the-engine" breakthroughs, exploring carbon credit markets and low-carbon technologies for alternative fuels, and in 2024, Aerospace Carbon Solutions acquired a UK-based company specializing in contrails management and forecasting. Aerospace Carbon Solutions has also invested in AIRCO, which is working to transform CO<sub>2</sub> into synthetic fuels and chemicals. The investment could help further support availability and affordability of alternative fuels in aviation.

Additionally, we recognize the impacts of our products across their full lifecycle, using a continuous improvement mindset and the principles of circularity when designing our products. Our global network of maintenance, repair, and overhaul (MRO) shops allow us to put reclaimed and repaired parts back into service. When components can no longer be repaired and reused, we work with partners to revert and recycle used serviceable material.

#### Social

Safety is the number one priority at GE Aerospace. Our strong product safety focus is incorporated in our Safety Management System (SMS) and interconnected with our Quality Management System (QMS) as we aim to produce quality parts and products while complying with all regulations. Every individual is empowered and encouraged to take responsibility for creating a safe and healthy working environment, and to speak up if they have any concerns about health and safety matters.

Respecting human rights is a core part of our focus on integrity, with policies and standards embedded across our operations and value chain. Our Human Rights Statement of Principles reflects our commitment to respecting all internationally recognized human rights, including fundamental labor rights, by striving in good faith to identify and address human rights risks across our value chain.

We also detail the human rights expectations of all GE Aerospace employees, directors, and officers in our Code of Conduct, <u>The Spirit & The Letter (S&L)</u>, which incorporates our Human Rights Policy. All suppliers and business partners must contractually commit to the GE Aerospace Integrity Guide for Suppliers, Contractors, and Consultants.

Our confidence in being able to deliver for today, tomorrow, and the future is rooted in three key Behaviors: Respect for People, Continuous Improvement, and Customer Driven. Our <u>organizational culture</u> supports talent attraction, engagement, and retention, and promotes ways of working that are strongly connected to our business goals. We are striving to build an environment where every employee has the opportunity to achieve their full potential. We lead with transparency and value inclusive teams and diverse perspectives.

"We remain focused on meeting the needs of our customers and building partnerships with stakeholders to scale up and advocate for solutions that balance environmental, social, and economic benefits."

**Geraldine Barnuevo** Sustainability Director, GE Aerospace



Locations within GE Aerospace's operational control as defined by the GHG Protocol.
 <u>https://atag.org/news/news-report-outlines-path-to-net-zero-aviation-in-2050</u>

#### Introduction

Safety

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Governance

# Our sustainability framework

With more than 100 years of history, **GE** Aerospace remains dedicated to innovating technology to lift the quality of life for people around the world.

Our sustainability framework, which is informed by our sustainability issues assessment,<sup>8</sup> serves as a North Star for how we approach sustainability. This framework consists of four pillars—safety, environment, people, and governance-within which we set strategic targets and key performance indicators (KPIs), implement programs, and build industry partnerships where we can make the greatest impact.

We embrace collaboration with thought leaders and experts, continuously refining our programs to uphold our mission. With around 53,000 employees dedicated to our purpose, our journey continues with a steadfast focus on our sustainability priorities.

Throughout this report, we highlight how our innovative technologies, our commitment to integrity, our strategy, and our sustainability programs help bring these priorities to life.

8 GE Aerospace performed a sustainability issues assessment in the fall of 2023. Results from this assessment informed our sustainability framework.

We put safety first and look to continuously improve our products, processes, and operations.

#### Topics

People

Product Safety and Quality Employee Health and Safety

We create accountability, operate ethically and balance the needs of our stakeholders while supporting risk management and long-term value.

#### Topics

Governance
Business Ethics
Risk Management
Data Privacy and Security





We build on the spirit of invention that has fueled us for over a century to help achieve net zero carbon for Scope 1 and 2 operational emissions by 2030 and support the industry's net zero by 2050 ambition.

Product Innovation and New Technology GHG Emissions and Energy Efficiency Climate Change Mitigation and Resilience Hazardous Materials Management Circularity

We are passionate about lifting people up in the communities where we live and work.

- Talent Development and Engagement Employee Wellbeing Community Development
- Human Rights
- Supplier Responsibility

Governance

# Value creation at GE Aerospace.

The value we create at GE Aerospace is derived from our investments, infrastructure, people, and expertise, as well as the operational activities of our business.

#### Our business activities<sup>9</sup>

Commercial Engines & Services and Defense & Propulsion Technologies



#### 1 Research and development

We prioritize safety, quality, and performance when developing our products.

#### 2 Design

We are world leaders in jet engine design. We consider maintenance and repair of materials during the use phase of the product in the design state.

#### 3 Sourcing

We strive to maintain ethical and responsible supply chains.

4 Manufacturing

We manufacture engines with the right processes in place and an advanced product quality planning (APQP) toolkit for managing change.

5 Systems

We provide advanced technologies critical to aircraft performance, including integrated propulsion systems that create engine energy efficiencies and advanced flight management tools.

6 Sales and services

We have a wide range of world-class engines to support the needs of customer fleets spanning widebody, narrowbody, regional jet, and business jets.

#### 7 Product maintenance, repair, and overhaul

We offer solutions for every stage of an engine's lifecycle. Our suite of services accommodates the full range of needs and operational priorities.

8 End of life

We have a portfolio of products and services dedicated to used material inventory management, consignment, and brokerage services and distribution of used serviceable engine parts and line replaceable units.

#### Stakeholders

#### Customers

- \$2.7 billion invested in R&D<sup>10</sup>
- Nearly \$1 billion planned investment in U.S. factories and supply chain<sup>11</sup>
- Customers in 120 countries
- Durable, reliable engines and services

#### Employees

- 53,000 employees
- Competitive compensation and benefits
- 99.5% compliance training completion<sup>12</sup>
- 0.50 recordable injury rate<sup>13</sup>
- Safe and respectful workplace

#### Shareholders

- \$35.1 billion adjusted revenue<sup>14</sup>
- \$7.3 billion operating profit<sup>14</sup>
- \$6.1 billion free cash flow<sup>14</sup>

#### Suppliers

- More than \$33.8 billion supplier spend (direct and indirect)
- Supplier Responsibility Governance program

#### Communities

- \$21.5 million in GE Aerospace family giving
- More than 30,000 employee volunteer hours<sup>15</sup>
- 9 Business activities shown in this diagram are not inclusive of all GE Aerospace businesses.
- 10 Amount represents research and development as reported in our 2024 Form 10-K and includes customer and partner funding.
- 11 Investment announced March 12, 2025
- 12 Completion by <100% includes employees who are on leave and recent new hires.
- 13 Number of injury and illness cases globally per risk population year to date as measured against Occupational Safety and Health Administration (OSHA) recordability criteria, number excludes contractors and corporate holdings.
- 14 Non-GAAP financial measure.
- 15 Includes more than 8,100 employees during 725 GE Aerospace-led projects.

#### Our awards

Four Aviation Week Laureate Awards in 2025 across three categories—Commercial Aviation, Defense, and Maintenance, Repair, and Overhaul (MRO)—and the Pathfinder Award for Chairman and CEO Larry Culp.

2025 SEAL Business Sustainability Award in the Sustainability Innovation category for the CFM RISE program.

#### UN Sustainable Development Goals

The United Nations Sustainable Development Goals (UN SDGs) are an interlinked agenda of 17 objectives to help address humanity's most pressing global challenges. We have been a signatory to the UN Global Compact since 2008. More information can be found in our 2025 Sustainability Report: Supplementary Materials appendix. Governance

People

#### Safety

# Putting safety first

At GE Aerospace, safety comes first. SQDC—safety, quality, delivery, and cost—in that order for a reason. Our approach is focused on continuous improvement.



People

# Product safety and quality

Delivering engines to power three out of every four of the world's commercial aircraft<sup>16</sup> is a major responsibility and why safety is the top priority at GE Aerospace.

#### **Our Safety Management System (SMS)**

Our strong product safety focus is incorporated in our SMS. GE Aerospace implemented its SMS for aircraft engines in January 2013, over 10 years before the U.S. Federal Aviation Administration (FAA) proposed requiring it. In 2017, GE Aerospace was the first original equipment manufacturer (OEM) to have its SMS accepted by the FAA.

Our SMS applies across all our engine product lines, not just those parts of the business operating under the privileges of FAA authorizations, including Defense and Systems, Propulsion and Additive Technologies, and aero-derivative businesses, as well as other affiliates and subsidiaries. Our SMS is founded on four key tenets, following the International Civil Aviation Organization (ICAO) standard:

**Policy:** Embedding top-down commitment to safety in our policies

**Promotion:** Creating a positive safety mindset through training, education, and awareness

**Risk management:** Executing independent risk assessments that follow the approved FAA process

**Assurance:** Validating the effectiveness of risk-control strategies in design, manufacturing, quality, and product performance

Our SMS is interconnected with our Quality Management System (QMS), aiming to produce quality parts and products to specification every time while complying with all regulations. We seek to drive continuous improvement in all of our processes within our SMS and QMS—including deploying FLIGHT DECK, our proprietary lean operating model—to continue to raise the bar on safety and quality.

#### **Raising safety concerns**

GE Aerospace encourages employees to report safety concerns voluntarily and, if desired, confidentially, without fear of retaliation. Our Open Reporting system provides multiple options for employees to raise safety concerns, including directly through their supervisor, using an anonymous hotline, and via the Safety Program Management Teams (SPMTs). Employees with a computer also have access to a direct link to a product safety toolbox with detailed information on where and how to report safety concerns. A dedicated team evaluates these concerns and directs them to the appropriate stakeholder. We value safety concerns submitted by our employees and want everyone to raise any issues they may have.

#### Soliciting employee feedback

As everyone at GE Aerospace is responsible for safety and compliance, we regularly invite employees to participate in surveys to gauge knowledge of the importance of safety across our operations and business units. Participants help identify areas that are working well and highlight opportunities to increase education and take action. " Putting safety first requires that all of us at GE Aerospace create and uphold a strong safety culture. That means one where employees are encouraged to raise concerns and feel comfortable doing so. It's in this spirit that we seek to continuously improve our products, processes, and operations."

#### **Chris Lorence** Vice President, Product Safety & Quality and Chief Engineer GE Aerospace



Governance

## Our holistic approach to product safety and quality

Given the central importance of flight and product safety to the company, our Board of Directors provides regular oversight of and engagement on safety and quality.

Our uncompromising commitment to safety is strengthened through our organizational structure, which is intentionally designed to create checks and balances with engineering teams reporting independently to the Chief Executive Officer (CEO) from product management teams.

People

Furthermore, our Flight Safety Office serves as a technical resource for the business as well as an internal technical audit function, providing another layer of internal oversight separate from the product management teams. In addition, our Flight Safety Office provides full flight safety and operational readiness support for both new and existing commercial and defense programs.



Dedicated cross-functional product safety rhythms further support our commitment to safety. They include:

**Safety Program Management Teams (SPMTs):** Each engine product line reviews and addresses potential model-specific product safety concerns across all aspects of manufacturing, field performance, maintenance, and repair, ensuring potential emerging trends are evaluated, and identified actions are implemented.

#### Enterprise Safety Program Management Team (ESPMT):

This enterprise-level team verifies potential product safety concerns reviewed in product-level SPMTs are "read across" all product lines to understand if a potential issue could impact other product lines.

#### Product Safety Review Board (PSRB): The PSRB

independently monitors the progress of investigations and corrective action plans defined by the individual SPMTs and the ESPMT, ensuring closure actions are completed.

" Flight is an incredible responsibility. Everyone at GE Aerospace owns safety—at all levels of the organization from the shop floor to engineering and from sourcing to the leadership team. It will always come first."

**H. Lawrence Culp, Jr.** Chairman and Chief Executive Officer, GE Aerospace



to risk management and to help the industry continue to improve its safety performance. Key forums addressing safety issues include the FAA Aviation Rulemaking Committees and the FAA Aviation Rulemaking Advisory Committees.

Key industry groups and associations

forums with regulators, other manufacturers, and

GE Aerospace regularly participates in safety

Examples of industry groups:

- Aerospace Engines Supplier Quality Consortium<sup>™</sup> (AESQ)
- Aerospace Industries Association (AIA)
- Aerospace, Security and Defence Industries Association of Europe (ASD)
- Aviation Supply Chain Integrity Coalition (ASCIC)
- General Aviation Manufacturers
   Association (GAMA)
- International Aerospace Environmental Group (IAEG)
- International Aerospace Quality Group (IAQG)
- International Audit Practice Consortium (IAPC)
- National Safety Council (NSC)
- Rotor Integrity Steering Committee (RISC)

GE Aerospace has an uncompromising commitment to flight and product safety.

#### Our product quality framework

All new aircraft engines and component parts are manufactured under production quality systems that are approved by military and commercial aviation authorities and certified to conform to their type design. Similarly, fielded engines and component parts serviced within GE Aerospace shops are maintained to original manufacturer requirements using original manufacturer component parts and repairs, then returned to service under applicable commercial aviation maintenance organization approvals.

Underlying these commercial aviation regulatory approvals, our quality framework drives actions that include:

- Developing our people through continuing education
- Creating a mindset that strives for, but doesn't assume, zero defects, with the right processes in place and an advanced product quality planning (APQP) toolkit for managing change
- Optimizing our quality and business management processes

#### Inspection technology and innovation

We have a suite of advanced imaging technologies and methods that help us address safety and quality while driving faster, more efficient, and more sensitive aircraft engine inspections. These include ultrasound, X-ray, computed tomography scans, flash thermography, eddy current testing, fluorescent penetrant inspection, and dimensional metrology.

These modalities are commonly used in combination during part manufacture and subsequent field inspections to help the engineer best determine both initial quality and continued serviceability. Image-processing algorithms are developed for each inspection method to improve the accuracy and consistency of data interpretation.

We also strive to identify new methods that can increase the types of defects we can proactively detect within our components across the manufacturing and in-service lifecycle of parts.

Since 2019, we have voluntarily completed thousands of enhanced inspections of in-service critical rotating parts. In 2023, we enhanced our ultrasound inspections of critical rotating parts during production. Our researchers have also pioneered new inspection technologies for use at the engine module level during scheduled maintenance events without driving additional cost, turnaround time or increased workscopes.

#### Teaming up with suppliers

We have an oversight system and tools in place to support our suppliers in meeting our standards and in contributing to our efforts to continue to improve quality and create a philosophy that strives for, but doesn't assume, zero defects.

## Combating unauthorized parts in the supply chain

In October 2024, the Aviation Supply Chain Integrity <u>Coalition</u> released a comprehensive report recommending specific actions to help prevent unauthorized parts from entering the aviation supply chain.

The report outlines recommendations across three critical areas: Strengthening vendor accreditation, digitizing documents and signatures, and improving part traceability.

In response, GE Aerospace—which led the formation of the coalition in early 2024 with leaders from across the aerospace industry—has digitized maintenance, repair, and overhaul (MRO) records dating back to 2015 and now digitizes key paperwork when an engine visits a GE Aerospace MRO shop. Artificial intelligence (AI) helps verify the validity of key data fields, flagging discrepancies in real time.



#### Investing in U.S. manufacturing

In March 2025, we announced plans to invest nearly \$1 billion in our U.S. factories and external supply chain—nearly double last year's commitment—benefiting more than two dozen communities across 16 states. More than \$700 million has already been allocated for specific projects to help improve engine safety, quality, and delivery for our customers. The investment includes more than \$100 million dedicated to our external supplier base to ensure they are using the newest tools to produce parts, further reducing defects and supply chain constraints.



planned investment in manufacturing facilities and external supply base in 2025



Our new Customer Experience Center provides around-the-clock monitoring and support.

"The launch of the Customer Experience Center is helping us provide a differentiated customer experience, allowing our teams to directly engage with our airline customers to continuously monitor our commercial engines in service globally to help keep the fleet flying safely and reliably."

Jayesh Shanbhag General Manager, Customer Experience, GE Aerospace



#### Working with commercial customers

We work closely with airlines around the globe to help ensure they have the information needed to safely operate and maintain the products we produce throughout the product lifecycle.

#### In-region customer support teams

global customer support

We support our customers around the globe 24/7, through a global network of dedicated aviation professionals, training centers, web centers, On Wing Support (OWS) technicians, and more.

#### Flight Operations team

We have a team of pilots with engineering expertise whose flight ratings cover nearly every commercial aircraft type powered by GE Aerospace or GE Aerospace partnership engines. This team enables direct pilot-to-pilot dialogue, ensuring those who fly aircraft with engines we designed and produced have insights to augment their experience.

#### **Customer training**

We provide maintenance training and aids to serve our customers. These include training modules available on our Customer Technical Education Center University website, as well as maintenance videos posted on YouTube to help the aircraft maintainer with everyday engine maintenance tasks. Additional digital training aids are available through dedicated customer web portals and hands-on, instructor-led maintenance courses at six global training facilities.<sup>17</sup> In a typical year, we train around 6,000 customer mechanics across all our commercial product lines and training centers.

We also offer a detailed Powerplant Engineers Course that provides basic knowledge of jet engine design and how the engine hardware and systems work together.

Learn more about GE Aerospace's training.  $\Rightarrow$ 

#### **Our Customer Experience Center**

We monitor real-time data from operators' fleets to identify potential issues that could lead to operational disruptions. Using advanced analytics, including AI and machine learning, we leverage data from millions of flight records every year to provide operators with appropriate and timely recommendations.

In November 2024, we launched an updated Customer Experience Center (CEC) in Cincinnati. The CEC serves as one of two global hubs alongside its Shanghai counterpart—providing customers with around-the-clock monitoring and support, both virtually and on-site.

Airline customers have engaged in problemsolving sessions at the center, which has a digital infrastructure that connects real-time engine performance data with on-ground maintenance insights.

The connected digital thread of data collected in the field from both on-wing and off-wing experiences is not only helping reduce turnaround times for service visits, it also informs future engine designs—including technologies for the CFM RISE program—showcasing our focus on continuous innovation and customer-centric service.



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# Employee safety

Our ultimate responsibility is to protect our people and those who do work on our behalf, ensuring that everyone goes home safely at the end of every day.

Health and safety at GE Aerospace is the responsibility of every single person, no matter what level or where they sit in the organization. Every individual is empowered and encouraged to take responsibility for creating a safe and healthy working environment, and to speak up if they have any concerns about health and safety matters. When performing high-risk activities, all employees and contractors must follow robust procedures and standards to prevent potential accidents and injuries. Our procedures are available in different languages to our employees and those working on our behalf within our facilities. Everyone is empowered and expected to stop work if they have any concerns about the task they are performing.

We strive to proactively identify issues before they happen. However, should an incident or a potentially severe event (PSE) occur, we thoroughly investigate the root causes and develop corrective actions to prevent future recurrence.

## Our Environmental, Health, and Safety (EHS) program

At GE Aerospace, we are committed to EHS excellence to protect our people, our communities, and the environment. We hold ourselves to standards that are often more stringent than local regulations, and continue to develop robust programs and initiatives.

Our EHS program is built on a spirit of transparency, data, compliance, and continuous improvement. It incorporates the following principles:

- Complying with local EHS laws and GE Aerospace's core requirements and technical standards, whichever is more stringent
- Reducing, mitigating, and managing risk across our operations
- Monitoring and evaluating performance and improvement opportunities

Driving operational accountability

We maintain global EHS policies and standards that set out the responsibility for mitigating environmental risks, ensuring compliance, and driving safety across all areas of the company. We also have additional core requirements and technical standards that cover specific safety risks such as working at height, confined spaces, and electrical safety, as well as environmental areas including air emissions, spills, and waste and water management.

Our EHS program is designed and maintained by our central EHS team and is deployed within our operations by site-level EHS professionals.

#### Our 2024 safety performance

In 2024, we made important improvements in our EHS performance and continued to drive our safety program. We are building upon our injury and illness reduction plan, incorporating action plans directed to key risk areas (ergonomics, electrical safety, contractor safety, etc.). The plan incorporates projects and effective partnerships with site-level EHS teams.

In 2024, our actions reduced our injury and illness total recordable rate to 0.50,<sup>18</sup> significantly lower than the 2023 U.S. aircraft engine and engine parts manufacturing rate of 1.40.<sup>19</sup>

#### Focused on improved ergonomics

In 2024, we had particular focus on preventing ergonomics injuries, also known as musculoskeletal disorders, through the implementation of an ergonomics-specific technical standard. This led to the creation of a standardized approach for site ergonomic teams, which includes risk assessment, ergonomic and engineering design, training, and annual improvement plans. Collectively, these initiatives have contributed significantly to progress against our injury reduction goals.

In 2024, GE Aerospace's Evendale headquarters won the Applied Ergonomics Conference Ergo Cup in the "Maintenance and Other Non-Standard Tasks Workplace Solutions" category for its No Strain with the Membrane project. Using a lean practices approach, the process of replacing water filtration system filters was improved by adding a pneumatic push tool and height-adjustable equipment. This reduced manual effort, bending, and lifting, making the task safer and faster for the mechanical maintenance team.

18 Number of injury and illness cases globally per risk population year to date as measured against Occupational Safety and Health Administration (OSHA) recordability criteria, number excludes contractors and corporate holdings.

19 2023 incidence rate for North American Industry Classification System (NAICS) code 336412 from U.S. Bureau of Labor Statistics Occupational Injuries and Illnesses Data. People



#### Infrastructure Summit

In 2024, our global EHS, Facilities, Health Services, and Sustainability professionals came together for a multiday learning event to share the latest trends, regulatory updates, and best practices. As well as offering attendees opportunities for growth, learning, and networking through sessions with internal and external industry experts and company leaders, we also took the time to award, recognize, and celebrate our teams' progress and leadership initiatives.

#### **EHS Framework**

GE Aerospace's EHS Framework is a key element of our EHS management system that helps define specific expectations across a range of safety and environmental topics. The EHS Framework provides metrics that are used to measure our facilities' program maturity, including EHS policy alignment, training, leadership, high-risk operations, and safety and environmental compliance. A global network of EHS professionals implement the EHS Framework's requirements, supported by a reporting and metrics structure through which GE Aerospace can assess each site's progress against the program.

Governance

We evaluate the EHS impacts of our business through:

**Management of change:** We assess the EHS risks of any new activity—designing a new product, entering a new market, building a new factory, or acquiring a new business—and prepare accordingly.

**EHS performance:** We use an enterprise-wide system to record our EHS data, allowing for robust analysis and opportunities to improve. This data is reviewed at least monthly and is made available to operation leaders and the EHS team through a system of dashboards. We track key performance indicators (KPIs) such as injuries, illnesses, significant environmental events, and regulatory findings and closures.

- Our commitment to continuous improvement and risk reduction is underscored by our use of key metrics to analyze EHS events, identify corrective actions, and prevent reoccurrence.
- EHS performance is reviewed by senior leaders, by our CEO, and by the Board of Directors through the Governance Committee at least annually.



**Incident investigation process:** This involves detailed reviews of incidents with business leaders and putting action plans in place to prevent them from reoccurring.

GE Aerospace plans and executes regulatory and risk-based audits and inspections at a frequency that reflects the inherent risk and performance of each operation. These audits include a mix of assessments of a site's regulatory and GE Aerospace's EHS policies and procedures compliance.

#### Managing contractor safety

GE Aerospace's expectations for a safe, healthy work environment extend beyond our own employees and operations to include our contractors and all those who work on our behalf, whether at our own sites or those of our customers.

We work proactively alongside our contractor partners to drive performance improvements through our EHS program and take precautions to prevent injuries or accidents.

Our system for managing contractor safety globally includes technical standards and strict criteria for vetting contractors and sub-contractors, based on their EHS performance, training, and competency, and how well their EHS programs align with our own requirements and expectations. We evaluate each contractor's capabilities and programs for high-risk activities such as working at heights, electrical work, energy isolation, excavations, and lifting operations to drive safe working practices.

If a contractor-related event occurs, we will follow our incident investigation process, undertaking a detailed review in partnership with contractors, and report to our business leader on corrective measures implemented to prevent reoccurrence. Such events are incorporated into our contractor renewal process.

#### **GE Aerospace EHS mission statement**

We protect people and the environment by embracing continuous improvement to develop an industry-leading EHS program. We achieve this by driving operational engagement, building robust EHS policies, and implementing systemic solutions.

#### Environment: Technology

# Accelerating smart innovation

GE Aerospace's track record of technology and innovation means that we have products and services to help customers reduce emissions today. We also support efforts to accelerate the uptake of alternative fuels and collaborate across the industry with the goal of making the future of flight smarter and more efficient. We are building on the spirit of invention that has fueled us for over a century to help support the industry's goal of achieving net zero carbon emissions by 2050.<sup>20</sup>

20 https://www.atag.org/



# GE Aerospace's roadmap for the future of flight

This summary shows our across-the-board activities to support the future of flight, including the development of more efficient engine technologies compatible with alternative fuels by collaborating with others across the industry. In addition, we are exploring the use of carbon-reduction market mechanisms consistent with industry roadmaps.

Actions pre-2020	2020-2030	2030-2050
Engine technology		
<ul> <li>More fuel-efficient commercial engine products certified: Passport, GEnx, CFM LEAP</li> <li>Twin Annular Premixing Swirler (TAPS) combustor to reduce nitrogen oxide (NOx) emissions</li> <li>Fewer part counts, optimized part designs from additive manufacturing vs. conventional manufacturing</li> </ul>	<ul> <li>More fuel-efficient commercial engines certified: GE9X</li> <li>CFM RISE program unveiled, advancing a suite of engine technologies including advanced engine architectures such as Open Fan, compact core, and hybrid electric systems</li> <li>World's first to test high-power, high-voltage hybrid electric components in simulated altitude conditions up to 45,000 feet</li> </ul>	Potential entry into service of new engine technologies that, combined, could achieve at least 20% better fuel efficiency than today's most efficient commercial engines
Operational efficiency		
<ul> <li>Real-time data monitoring of operator fleets</li> <li>Flight Management System for optimized airport descents</li> <li>Fuel Insight software enables increases in fuel efficiency, lower costs, and reductions in carbon emissions</li> </ul>	<ul> <li>Expanded real-time data monitoring and records</li> <li>Fuel Insight, FlightPulse<sup>™</sup>, and Airspace Insight software use data to optimize flight plans and routes for fuel savings</li> <li>SIGNPOST and DECISIONX software from Aerospace Carbon Solutions enable airlines to manage regulatory and voluntary CO<sub>2</sub> and non-CO<sub>2</sub> emissions</li> </ul>	Enhanced flight data analytics for fuel savings recommendations
SAF		
<ul> <li>All GE Aerospace and partner engines can operate on approved SAF blends</li> <li>Industry's first commercial airliner flight with 100% SAF in both GE90 engines</li> <li>Active participation in ASTM International for qualification of new SAF production pathways and co-processing approaches</li> </ul>	<ul> <li>Tested 10th aircraft engine model with 100% SAF and conducted first experimental flight with invited passengers using 100% SAF in one of two LEAP-1B engines</li> <li>Chair ASTM International committee responsible for SAF pathway qualifications and development of 100% drop-in SAF specification</li> <li>GE Aerospace's research center, working with Aerospace Carbon Solutions, is developing technologies that could help close the cost gap between SAF and conventional jet fuel to support industry efforts to grow the availability and adoption of SAF</li> </ul>	<ul> <li>Support adoption of 100% SAF</li> <li>GE Aerospace and partner engines can operate on 100% drop-in SAF once approved for commercial use</li> </ul>
Market-based mechanism		
	<ul> <li>Pursuing partnerships within the carbon credit market to accelerate deployment and lower technology cost</li> <li>Support operationalization of market-based mechanisms to help accelerate the availability of CORSIA-eligible carbon credits</li> </ul>	<ul> <li>Exploring expansion of our investments in carbon dioxide removal (CDR) solutions such as direct air capture</li> <li>Continue to support the supply of and access to CORSIA- eligible carbon credits for the aviation industry</li> </ul>
2024 and 2025 progress		

• Agreement with U.S. Department of Energy to expand supercomputing capability for revolutionary new Open Fan engine architecture

- CFM and Airbus teams continue to work together on engine and aircraft design integration in preparation for an Open Fan Flight Test Demonstrator this decade
- GE Aerospace, Boeing, and NASA study performance of installed Open Fan engine design
- More than 350 tests completed for the CFM RISE program
- Avio Aero receives U.S. Federal Aviation Administration (FAA) certification for Catalyst™ turboprop engine
- Procured 250,000 gallons of blended SAF to be physically delivered to Peebles Test Operation and sustainable fuel certificates (SAFc) for 400,000 gallons of neat SAF, through book-and-claim
- GE Aerospace acquired a contrail management and forecasting company

Safety

Operations

People

Governance

# Our approach to lower-emission technologies

Technology

#### We endeavor to support our customers by continuing to deliver more efficient engines and new forms of propulsion.

The engines we manufacture today enable up to 40% less fuel consumption and up to 40% less carbon emissions than those manufactured in the 1970s and 1980s. For the future of flight, GE Aerospace is advancing new aviation technologies through demonstrators including the CFM RISE program. The aim of the program is to develop technologies that will enable engines that are at least 20% more fuel efficient and generate 20% less carbon emissions than today's most efficient commercial engines, and that are compatible with alternative energy sources such as SAF, while meeting customer expectations for durability and reliability. SAF can reduce fuel lifecycle emissions by up to 80%.

The technology pillars that comprise the CFM RISE program are advanced engine architectures such as Open Fan, compact core designs, hybrid electric systems, and alternative fuels.

Moving our efforts beyond propulsion leadership, we established Aerospace Carbon Solutions to catalyze progress in SAF and carbon removal credits, which will be essential to the industry achieving its decarbonization goals.

Through Aerospace Carbon Solutions, we are supporting startups and other efforts at the forefront of these spaces including our investment in AIRCO, which is working to transform CO<sub>2</sub> into synthetic fuels and chemicals. The investment could help further support the availability and affordability of alternative fuels in aviation. We are also

mobilizing our team at GE Aerospace's research center to design technologies that reduce the cost and increase the potential scale of SAF refining, hydrogen production, and direct air carbon capture.

In addition to carbon dioxide emissions, the aviation industry is also accelerating efforts to understand and reduce aviation's non-CO<sub>2</sub> effects, including from nitrogen oxides (NOx), sulfur, aerosols, soot, and contrails. Contrails are clouds made of ice particles, which can be created when aircraft fly through cold, humid air. While challenging to precisely measure, persistent contrails are estimated to have a warming climate impact. Through Aerospace Carbon Solutions, we have acquired a UK-based company, specializing in contrails management and forecasting weather, to help airlines mitigate contrails associated with flying.

Achieving the industry's net zero goal will require a substantial effort from a wide range of participants, including aircraft manufacturers, airlines, aviation industry suppliers, and companies outside the industry, such as fuel and energy producers and policymakers. At GE Aerospace, we are working to enable the greater fuel efficiency of our engines and supporting the industry's overall ambition as it works to reduce its environmental impact.

Given that we operate in a hard-to-abate sector, our progress significantly depends on supporting policy development. Engagement with governments and trade associations is an important part of shaping the regulations and legislation that govern our business and our industry. To learn more, see the Governance section.



Rendering of CFM International's Open Fan engine architecture being developed as part of the RISE technology demonstration program for next-generation commerical engines

#### Our net zero principles

We have several principles guiding our approach to our ambition for net zero carbon emissions from the use of sold products for commercial engines.

**Commitment to innovation and technology.** Our role in the sector's path toward net zero is to deliver state-of-theart technology today while innovating the breakthrough technologies for tomorrow.

**Collaboration.** No one company can solve these issues alone, and we welcome collaborations with our customers, investors, regulators, and peers to achieve our ambitions.

**Continuous learning.** We are committed to continuous learning to enable more insights and opportunities, and expect to make progress over time.

**Credibility.** Knowing this path will take decades, we prioritize credibility, sharing what we objectively know (and don't know) with our stakeholders.

#### **Driving continued progress**

Our ambition is to achieve net zero by 2050 for Scope 3 carbon emissions from the use of sold products for commercial engines —the most impactful and relevant emissions category, given the nature of our business.

In terms of innovation, the implementation of nextgeneration technology will depend on the evolution of new aircraft and engine designs, infrastructure, and regulations, in accordance with the sector's considerations regarding safety, reliability, and the physics of aviation. While this journey will be measured in decades, the commercial aviation industry's ambition to achieve net zero carbon emissions by 2050 is driving action today.

GE Aerospace remains focused on innovating cuttingedge technology and making operational improvements to help meet historic demand while decreasing emissions. We invested approximately \$2.7 billion in research and development (R&D) in 2024,<sup>21</sup> including the development of technologies for a smarter and more efficient future of flight.

Read more about how we are doing that, through our current technologies and investments in the breakthrough technologies of the future, including the availability and use of SAF, on the following pages.

## Scope 3 carbon emissions: Use of sold products<sup>22,23,24</sup> (million metric tons CO<sub>2</sub>)

2019	2022	2023	2024
51.73	25.05	30.62	27.86

GE Aerospace's net Scope 3 carbon emissions from the use of sold products for commercial engines<sup>25</sup> decreased from 2019 to 2022 due to lower engine sales in light of reduced demand for travel during COVID-19, 737 MAX groundings, and supply chain constraints. Net carbon emissions saw an increase in 2023 driven by increased global travel demand, followed by a 9% decrease in 2024 compared to the previous year, primarily due to a reduction in engine deliveries caused by continued supply chain constraints. We expect our net carbon emissions to continue to increase as demand for travel increases.

#### **Scope 3 carbon emissions intensity**<sup>23,24</sup> (grams CO<sub>2</sub>/RPK<sup>26</sup>)

2019	2022	2023	2024
5.96	5.67	5.17	5.37

To learn more about our methodology for calculating emissions, please see our <u>2025 Sustainability Report:</u> Supplementary Materials appendix.

#### Flight tests study contrail formation

In addition to carbon dioxide emissions, we are working to help improve the industry's understanding of contrails—clouds of ice particles created when aircraft fly through cold, humid air. This is a crucial step in developing new technology that can reduce non-CO<sub>2</sub> emissions.

In late 2024, GE Aerospace teamed up with NASA to participate in the Contrail Optical Depth Experiment (CODEX). During tests, NASA's Langley Research Center G-III aircraft followed GE Aerospace's 747 Flying Test Bed, scanning the wake with Light Detection and Ranging (LiDAR) technology.

Using the latest detection technology to test how contrails act in-flight provides critical insights to help advance the development of nextgeneration engine technologies through the CFM RISE program. The research will also support Aerospace Carbon Solutions' contrail forecasting and management service, DECISIONX.

In a further development, leaders across the aviation industry have called for more government research programs to enhance understanding of the non- $CO_2$  effects of aviation, which also include nitrogen oxides (NOx), sulfur, aerosols, and soot. The joint statement made in July 2024 called for increased funding for research designed to underpin technology choices, operational changes, and policy decisions.

- 21 Amount represents research and development as reported in our 2024 Form 10-K and includes customer and partner funding.
- 22 Calculations use actual commercial engine deliveries by GE Aerospace/ GE Aerospace Partnership companies to airframers for installation on new aircraft in alignment with our financial reporting.
- 23 2019 and 2022–2024 data is presented here to reflect the profile of GE Aerospace as it exists today.
- 24 Figures do not include any SAF projection over the forecast product life.
- 25 Estimated lifetime emissions of commercial engine products installed on widebody, narrowbody, regional, and business jet aircraft by year.
- 26 Revenue, passenger per kilometer.

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# Current technologies

As one of the world's largest suppliers of aircraft engines, systems, and services, GE Aerospace continues to lead the industry in developing technologies to increase efficiency and reduce emissions from flight. Our dedication to innovation and investment over decades has led to the following engines and software available now.

#### Engines

From the GE9X, the culmination of our decade-long commercial product renewal, to the Passport and Catalyst<sup>™</sup> business and general aviation engines, and the T901 and T408 turboshafts for military helicopters, we have the industry's broadest array of advanced engines.

With advances in engine architecture, aerodynamics, and advanced materials, today's commercial aircraft engines enable up to 40% less fuel consumption and up to 40% less carbon emissions than engines manufactured in the 1970s and 1980s. In addition, technologies such as ceramic matrix composites (CMCs) and additive manufacturing have led to lighter parts with higher capabilities.

#### Our current commercial engine portfolio

A legacy of innovation for improved fuel efficiency



Introduction Safety

Operations



#### Additional technologies and services Additive manufacturing

Having certified the first additively manufactured part for commercial jet engines and designed the first turboprop engine containing additive parts, GE Aerospace founded GE Additive in 2016. This was rebranded as Colibrium Additive in 2024. Colibrium Additive is a leader in metal additive technology as a manufacturer of industrial metal 3D printers and metal powders, and as a provider of services for a growing installed base of customers across all industrial sectors.

Governance

Additive manufacturing, or 3D printing, is a transformative technology, and GE Aerospace was an early adopter. Built on decades of advanced manufacturing and materials science knowledge, GE Aerospace gained FAA certification for its first additively manufactured production part in 2015. Using additive manufacturing technology, engineers can conceive complex components, then transmit them to 3D printers full of metal powder. The printers' lasers or electron beams melt the particles together in thin layers, gradually forming completely new structures. A new Binder Jet technology was introduced to the market in 2024.

Additive manufacturing can be used to increase product durability and efficiency, reduce weight, improve manufacturing operations, lower costs, simplify supply chains, and speed up product development. To date, GE Aerospace has used additive manufacturing to make aircraft engine parts such as fuel nozzle tips, sensor housings, combustion mixers, cyclonic inducers, and heat exchangers.

#### Software

Our Software as a Service helps airlines reduce carbon emissions using data they already have. GE Aerospace has developed a suite of cloud-based software applications to help aircraft operators reduce carbon emissions and drive operational efficiencies.

Fuel Insight software helps airlines improve fuel efficiency, reduce carbon emissions, and lower costs, with the aircraft's flight data and the airline's operational data integrated into one platform. Airlines can see their data and gain intuitive insights into fuel consumption and emissions, enabling them to prioritize initiatives with the highest potential for savings and monitor adoption rates across their fleet. They can also customize their analytics and achieve substantial cost reductions. By offering a single source of truth for fuel data, Fuel Insight gives airlines the ability to identify fuel optimization opportunities that previously went unnoticed. New airline customers that signed up for the Fuel Insight platform in 2024 include Air India, Air Premia, Riyadh Air, and TUI Airline.

Additionally, software products FlightPulse<sup>™</sup> and Airspace Insight are flight analytics tools that help pilots and operators make data-driven choices about designing flight routes that can reduce time, save fuel, and minimize carbon emissions. " We're thrilled that TUI Airline has decided to provide its five airlines with Fuel Insight and FlightPulse™. With these two solutions, airlines within the group will be able to harness their flight data more effectively to find even more sustainable ways of operating."

Andrew Coleman General Manager, Software as a Service, GE Aerospace



Additively manufactured mid-frame structure for an A-CT7 concept engine.

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# Future technologies

GE Aerospace continues to lead the development of technologies to further reduce carbon emissions from flight. The work we're doing today will be seen in the propulsion systems of the future.

Meeting the aviation industry's long-term goal of net zero carbon emissions from flight will require revolutionary new technologies for increased engine fuel efficiency. To address this challenge, GE Aerospace has embarked on one of its largest technology demonstration programs in company history to mature advanced new engine architectures like Open Fan and hybrid electric systems.

Ground and flight tests are planned for this decade, with potential entry into service in the mid-2030s.

#### The CFM RISE program

Building on four decades of investment that made our engines quieter and more efficient, GE Aerospace and Safran Aircraft Engines unveiled a bold technology development program in June 2021. The CFM RISE program will demonstrate and develop a range of disruptive technologies with several goals in mind.

Through these technologies, we are targeting future engines that are at least 20% more fuel efficient and generate 20% less carbon emissions than today's most efficient commercial engines, that are compatible with alternative energy sources such as SAF, and that meet customer expectations for durability and reliability.

#### **CFM RISE program**

Advanced technologies and materials

-	engine core	electric propulsion	fuels
<ul> <li>Advanced architecture</li> <li>Step change in propulsive efficiency compared to ducted fans</li> <li>Targeting lower noise levels compared to current engines</li> <li>Supercomputing- enabled aerodynamic design</li> </ul>	• Next-generation compressor and high-pressure turbine technologies and materials	<ul> <li>Developing megawatt- class hybrid electric powertrain</li> <li>Advancing higher power density/lower weight components</li> </ul>	<ul> <li>RISE technologies being designed to be compatible with unblended SAF</li> <li>Developing key building blocks for hydrogen fuel capability</li> </ul>

" To change the future of flight and make it more efficient, we have to change the aircraft engine. Around the world, our engineers are rising to this challenge, developing revolutionary technologies to drive the efficiency gains needed. The Open Fan architecture is the most promising engine technology to help the industry reduce flight emissions, designed to meet or exceed customer expectations for durability, and to deliver a step change in fuel efficiency using conventional or alternative jet fuels."

#### Mohamed Ali

Chief Technology & Operations Officer **GE** Aerospace



CFM RISE tests completed



target vs. today

engineers worldwide across GE Aerospace and Safran Aircraft Engines

#### **Open Fan engine architecture**

Advanced Open Fan architecture improves the propulsive efficiency of an aircraft engine. The Open Fan design will significantly improve fuel efficiency while delivering the same aircraft speed and cabin experience as current single-aisle aircraft.

For decades, GE Aerospace has continually advanced state-of-the-art Open Fan systems. In the 1970s, GE Aerospace teamed up with NASA on the Quiet, Clean, Short-haul Experimental Engine (QCSEE) demonstrator, which was the first high-bypass geared turbofan engine. In the 1980s, GE Aerospace developed and successfully tested the unducted GE36 engine, an Open Fan jet engine demonstrating significant fuel savings compared with conventional ducted front fan engines in the same size class.

Since then, Open Fan engines have continued to become simpler, lighter, quieter, and more efficient, supported by aero and acoustic testing. In 2017, Safran Aircraft Engines successfully ground-tested a Counter-Rotating Open Fan engine as part of the European Clean Sky initiative. And today, CFM International is maturing the singlestage, variable pitch Open Fan design. This design has outlet guide vanes that direct air flow so the Open Fan can fly at speeds consistent with conventional turbofan engine architectures while improving energy efficiency and targeting noise levels similar to or below current generation turbofans. Since the CFM RISE program was launched, CFM International has completed more than 300 hours of wind tunnel testing using a 1:5 scale model of an Open Fan, including a version of the model mounted on a demonstrator plane wing section for testing with Airbus. A high-speed, low-pressure turbine (LPT) test campaign with advanced turbine blades also ran.<sup>27</sup>

#### Compact engine core

Another of the enabling technologies being studied through the CFM RISE program is a compact engine core.

GE Aerospace is testing and maturing compact jet engine core designs to improve thermal efficiency in single-aisle aircraft as part of NASA's Hybrid Thermally Efficient Core (HyTEC) project. Having completed Phase 1, which focused on the high-pressure compressor, high-pressure turbine (HPT) advanced aerodynamics, and the combustor, we were awarded a contract for Phase 2 of the HyTEC program to further advance aircraft engine core technologies. Phase 2 is maturing technologies with plans for a core demonstrator test later this decade.

After conducting the first test run of next-generation HPT blades and nozzles using a demonstrator engine, in 2025, GE Aerospace completed a second HPT airfoil campaign focused on endurance. This shows how durability is a key early focus of the CFM RISE program. Tests of next-generation compressor and combustion technologies have also started, looking to advance material capabilities and understanding of how new engine designs impact CO<sub>2</sub>, as well as non-CO<sub>2</sub> emissions.

#### Noise mitigation

Noise from aircraft engines impacts a range of stakeholders in the aviation industry. For airlines, noise directly affects customer satisfaction, operational costs, and compliance with stringent noise regulations at certain airports, which can influence route planning, fleet management, and community relations. For airports, community noise mitigation and management are important for neighborhood satisfaction and community growth. Regulators also prioritize noise reduction to mitigate environmental concerns, enhance public health, and uphold noise abatement policies.

On the whole, aircraft engines are quieter than previous generations<sup>28</sup> and have largely reduced noise in line with greater engine efficiency. Our newest commercial aircraft engines already meet the latest global noise standards, but reducing noise levels even further remains a key focus for GE Aerospace's future products, including those developed through the CFM RISE program. Through advanced blade aerodynamics, the new Open Fan engine architecture will be designed to meet the more stringent environmental requirements expected in the future.

Using supercomputing to study Open Fan noise and aerodynamic performance

To help us model noise sources with high fidelity for the next generation of engines, we are using supercomputing capabilities.

GE Aerospace was the first industrial user of Frontier, one of the world's fastest supercomputers, housed at the U.S. Department of Energy's Oak Ridge National Laboratory in Tennessee. Combined with our computational fluid dynamics software, Frontier enables us to simulate the air movement of a full-scale Open Fan design with incredible detail.

Building on this work, in 2024, we announced an expanded collaboration with Oak Ridge. Enhancing our supercomputing capabilities, this partnership will accelerate the study of engine performance and efficiency.

As a result of these efforts, Open Fan and other engine hardware designs are being optimized for component and module tests with fewer iterations, ahead of an Open Fan Flight Test Demonstration planned this decade with Airbus.

We are also working with NASA and Boeing on a new project to model the installed performance of Open Fan engine designs, refining our understanding of how this advanced architecture performs.

27 Wind tunnel and LPT tests completed by CFM parent company Safran Aircraft Engines.

28 Certified noise levels for the latest aircraft and applicable engines are made publicly available on the EASA website.

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#### Hybrid electric propulsion

Hybrid electric propulsion technologies can help optimize engine performance—improving fuel efficiency—and are key to the aviation industry's efforts to reduce carbon emissions for a smarter and more efficient future of flight. Hybrid electric systems are also compatible with alternative fuels, as well as Open Fan and next-generation engine core designs.

GE Aerospace has been advancing the electrification of aircraft and engine systems for more than a decade. Multiple milestones have been achieved, including a 2016 ground test of an electric motor-driven propeller. In 2022, GE Aerospace completed the world's first test of a megawatt-class and multi-kilovolt hybrid electric propulsion system in simulated altitude conditions up to 45,000 feet at NASA's Electric Aircraft Testbed in Sandusky, Ohio. Current efforts underway for more electric engines include the Electrified Powertrain Flight Demonstration (EPFD) and the HyTEC Turbofan Engine Power Extraction Demonstration projects with NASA.

#### EPFD

One of our hybrid electric technology demonstration programs is being conducted in collaboration with NASA through its EPFD project. After years of developing individual components of a hybrid electric system motors, generators, and power converters—GE Aerospace is systematically maturing a megawatt-class, multi-kilovolt hybrid electric powertrain to demonstrate flight-readiness for commercial aircraft. Plans are to conduct ground and flight tests of the hybrid electric propulsion system this decade using a modified Saab 340B test bed aircraft and GE Aerospace's CT7 engines. Boeing is partnering with GE Aerospace to support the flight tests for EPFD by providing the aircraft, aircraft modification, aircraft integration, and flight-testing services.



#### HyTEC Turbofan Engine Power Extraction Demonstration

GE Aerospace is also developing a hybrid electric demonstrator engine with NASA that will embed electric motor/generators in a high-bypass commercial turbofan to supplement power during different phases of operation. This includes modifying a GE Aerospace Passport engine with hybrid electric components. Embedded electric motor/generators will optimize engine performance by creating a system that can work with or without energy storage like batteries. This could help accelerate the introduction of hybrid electric technologies for commercial aviation prior to energy storage solutions being fully matured.

Initial component-level testing of electric motor/generators and power electronics has been completed for the HyTEC Turbofan Engine Power Extraction Demonstration. Systems testing took place at GE Aerospace's Electrical Power Integrated Systems Center (EPISCenter) in Dayton, Ohio. Additionally, a baseline test of the Passport engine to characterize performance before hybrid electric components are added was completed at the company's Peebles Test Operation, also in Ohio. Results of the hybrid electric component and baseline engine tests are being used to evaluate and update models in preparation for a ground test.

To meet the increasing demand for hybrid electric aircraft engine component testing, we opened a new test cell and added equipment at our EPISCenter in Dayton, Ohio. The improvements to the facility will support the development and testing of hybrid electric and electrical power generation technologies.

#### Hydrogen combustion

Hydrogen fuel presents an opportunity for the aviation industry to potentially achieve flight with zero carbon emissions. CFM International continues to advance hydrogen combustion technologies for testing. This includes efforts to mature hydrogen engine combustion, fuel system, and control system technologies.

"Throughout our history, GE Aerospace has been at the forefront of innovation. Now, as a standalone public company, we've entered a new era of technology development. We're focused on maximizing fuel efficiency with new engine architectures, advanced materials and manufacturing processes, and supercomputing capabilities, revolutionizing what's possible to meet the needs of our customers—airplane manufacturers and airlines worldwide."

**Arjan Hegeman** Vice President, Future of Flight Engineering, GE Aerospace



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CFM International and Airbus plan to flight test Open Fan engine architecture this decade. Image credit: Airbus.

# SAF

With alternative fuels set to play a significant role in helping the industry meet its goal of a more sustainable future of flight, GE Aerospace supports initiatives for the wider near- and long-term adoption of SAF.

While SAF can have the same chemical composition as petroleum-based jet fuel, it has lower lifecycle carbon emissions. This is because it can be made from renewable sources such as plant-based material, fats, oils and greases, alcohols, waste streams, captured carbon, and other alternative feedstocks. ASTM International, the organization that sets technical standards, has so far qualified eight pathways for manufacturing alternative jet fuels, with varying feedstocks and technologies.

#### **SAF today**

Currently, SAF approved for commercial use is a blend of conventional, petroleum-based Jet A or Jet A-1 fuel and a synthetic fuel blending component that is approved at up to 50%.<sup>29</sup>

GE Aerospace and partner engines can operate on 100% drop-in SAF once approved for commercial use. Dropin means the fuel is equivalent to Jet A or Jet A-1, and it can be directly substituted without any modifications to engines and aircraft. It is therefore compatible with all

29 Semi-synthetic aviation turbine fuel.30 <u>Business Insider</u>.

the GE Aerospace, CFM International, Engine Alliance, and Honda Aero Engines power plants in service today, as well as other parts of the fuel distribution and storage infrastructure.

The widespread use of SAF could reduce fuel lifecycle carbon emissions by up to 80% compared to petroleumbased jet fuel. However, SAF production in 2024 represented just 0.3% of global jet fuel use, according to the International Air Transport Association (IATA). Moreover, SAF prices are typically two to five times higher than the price of conventional jet fuel. The supply is further constrained by competition for renewable fuels from other sectors. Accelerating its uptake is therefore critical if the industry is to reduce aviation emissions.<sup>30</sup>

Working closely with producers, regulators, policymakers, and operators, GE Aerospace continues to drive the assessment and qualification of SAF, and advocate for incentives that will make SAF more available and affordable. As well as advocating for policies and initiatives that support availability and engaging with governments on policy and regulation development, we take a leadership role in many organizations, committees, and task forces that are working to approve new production pathways and standardize specifications. One of our fuel experts chairs both the ASTM International committee that owns the industry's only synthetic aviation turbine fuel specification and oversees qualification of SAF pathways, and the ASTM task force standardizing 100% drop-in SAF.

#### SAF technology development

Engineers and scientists from GE Aerospace's research center, working with Aerospace Carbon Solutions, have modeled and evaluated hundreds of pathways and technologies for making SAF to identify the most promising approaches for SAF production.

GE Aerospace's expertise in breakthrough materials, advanced design and manufacturing, systems engineering, artificial intelligence (AI), and machine learning could be key in accelerating new SAF production technologies from lab-scale to commercial production. Since 2023, 10 patent applications have been filed to support these new technologies.

#### **IAEG Consortium**

GE Aerospace is part of a consortium led by the IAEG to study the compatibility of 100% SAF with aircraft, including engines. This initiative, known as Work Group 13, brings together major aerospace companies, including Airbus, Boeing, and Safran Aircraft Engines, to coordinate testing results and support ongoing efforts at ASTM International to develop new specifications for 100% SAF.

The consortium's work involves engagement with fuel producers, airports, and airlines to facilitate the transition to alternative fuels. Aerospace Carbon Solutions has also invested in AIRCO, which is working to transform  $\text{CO}_2$  into synthetic fuels and chemicals, further supporting efforts to grow the availability and adoption of SAF in the industry.

Further information about using low-carbon fuels in our testing operations can be found in the <u>Working toward net</u> zero section.

"GE Aerospace has catalyzed the advancement of SAF by evaluating and qualifying SAF pathways, standardizing 100% SAF, supporting airlines in their knowledge, adoption, and use of SAF, enabling 100% SAF engine capability, helping shape policy and regulation, conducting and enabling R&D, using SAF in our own facilities, and other means. Looking at the roadmap and what it's going to take to meet the net zero by 2050 target, we understand the importance of our involvement in this industry-wide effort."

**Gurhan Andac** Engineering Technical Leader, Aviation Fuels, GE Aerospace



#### 100% SAF testing and demonstration

GE Aerospace has been actively involved in assessing and qualifying SAF since 2006. All GE Aerospace engines can operate on approved SAF blends today.<sup>31</sup> GE Aerospace also supports industry initiatives for the approval and adoption of 100% SAF,<sup>32</sup> including newer technologies such as paraffinic-only 100% SAF.<sup>33</sup> With our partners, we've now tested 10 different engine models using 100% SAF since 2016, representing a mix of propulsion systems used for domestic and international commercial air travel, military aviation, and business and general aviation. These tests evaluated factors such as engine performance and the impact of 100% SAF on CO<sub>2</sub> emissions and contrails.

31 SAF approved for commercial use is a blend of conventional, petroleum-based Jet A or Jet A-1 fuel and a SAF blending component

33 Jet fuel consists of paraffinic and aromatic hydrocarbons.

that is approved at up to 50%. 32 Fully synthetic aviation turbine fuel.



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Algae, as depicted in this image, is a type of feedstock that could be used in producing SAF.

**Technology** Operations

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# Industry collaboration

#### GE Aerospace takes its position as an industry leader seriously, innovating new technologies for a smarter and more efficient future of flight.

However, no single entity can reach net zero alone. We support aviation industry efforts to decarbonize, which requires a holistic, global approach. Meeting the industry's goal of achieving net zero carbon emissions by 2050<sup>34</sup> requires deploying revolutionary technologies to reduce emissions and to advocate for increased use and availability of alternative fuels such as SAF.

#### United Airlines Ventures Sustainable Flight Fund

GE Aerospace continues to support as an investor in the United Airlines Ventures Sustainable Flight Fund, which aims to accelerate key technologies to reduce the cost and increase the scale of SAF production. The fund added eight new corporate partners in 2024.

#### TPG Rise Climate II

People

GE Aerospace is continuing its partnership with TPG in the second vintage of its climate-focused private equity fund series, Rise Climate II. The TPG Climate franchise represents one of the largest pools of capital dedicated to the capital needs of the net zero transition. GE Aerospace participates in the TPG Rise Climate Coalition (RCC), helping shape an approach to investing that is evidencebased, data-driven, and expertly informed.

#### **Clean Aviation**

Avio Aero, a GE Aerospace company headquartered in Italy, is a founding member of the European R&D program Clean Aviation and sits on its governing board.

Avio Aero has developed innovative propulsion technologies through the program, including turboprop engines with reduced carbon, NOx, and noise emissions.

It's also coordinating two demonstration projects funded by Clean Aviation:

- AMBER,<sup>35</sup> which is using Avio Aero's advanced Catalyst™ turboprop engine to test a megawatt class hybrid electric propulsion system powered by fuel cells.
- HYDEA, which is advancing hydrogen combustion technologies. In 2024, our engineering team in Germany evaluated a sector combustor under high-pressure conditions using hydrogen fuel. This was enabled by one of the German Aerospace Center's (DLR) unique test facilities, with optical endoscope technology.

In addition, Avio Aero is a key partner in Clean Aviation's OFELIA project, coordinated by Safran Aircraft Engines, seeks to demonstrate the propulsive efficiency of Open Fan architecture.

#### Industry collaboration on SAF

- The International Aerospace Environmental Group (IAEG) Work Group 13, established in 2024 to identify engine and airframe technological-readiness gaps for 100% SAF and, if there are any, address them
- The <u>Commercial Aviation Alternative Fuels Initiative</u> (<u>CAAFI</u>), a coalition of stakeholders in the aviation industry, energy producers, researchers, and government aimed at promoting the development and deployment of alternative jet fuel for commercial aviation
- The European Commission's <u>Renewable and</u> <u>Low-Carbon Fuels Value Chain Industrial Alliance</u> (<u>RLCF Alliance</u>)
- The <u>SAF Coalition</u>, a nonprofit group aimed to rapidly scale investment in the SAF sector and advocate for the incentives and policies necessary to promote U.S. economic competitiveness in the emerging SAF marketplace

**Environment: Operations** 

# Optimizing operations and compliance

We aspire to be responsible stewards of the environment, maintaining a strong environmental compliance program. We also have a goal of achieving net zero carbon for Scope 1 and 2 operational emissions by 2030,<sup>36</sup> with an initial focus on energy efficiency and acceptance testing fuel efficiency, carbon-free electricity, and exploring low-carbon fuels.

36 Locations within GE Aerospace's operational control as defined by the GHG Protocol.



# Our environmental program

We are committed to environmental, health, and safety (EHS) excellence to protect our people, our communities, and the environment.

Our environmental program includes multiple levels of assessment. The program is designed and maintained by our central EHS team, which deploys the program at our operations in conjunction with site-level EHS professionals and third-party experts. Operations are expected to review compliance against environmental permits, other regulatory obligations, and the GE Aerospace EHS policies and procedures. Environmental inspections and investigations by regulatory agencies are captured in our compliance reporting system and reviewed by our EHS central team, with key findings presented to our Senior Aerospace Leadership Team (SALT).

Key performance indicators (KPIs), including regulatory finding closure rates, environmental events, notices of non-compliance, and reportable spills and releases, are tracked to monitor performance.

Learn more about our EHS Framework in the Employee safety section.  $\rightarrow$ 



People

Governance

## Working toward net zero



#### Our goal is to achieve net zero carbon for Scope 1 and 2 operational emissions by 2030.37

To do so, we are using FLIGHT DECK to reduce energy waste and increase energy efficiency while transitioning to decarbonized power globally. While we are focused on driving absolute reductions to achieve net zero, where necessary, we plan to balance remaining emissions with carbon removal credits. GE Aerospace internally tracks progress to established targets against a 2019 base year.

#### **Our progress**



reduction in Scope 1 and 2 (market-based) CO<sub>2</sub>e emissions vs. 2019 base year

#### Our progress to date

We continue to make progress toward reducing carbon emissions in our facilities and operations through a strategy that focuses on three key levers:

- Infrastructure investments, operational optimization, and FLIGHT DECK Fundamentals to improve energy efficiency and engine acceptance testing fuel efficiency
- Sourcing carbon-free electricity
- Exploring the use of low-carbon fuels such as SAF at our engine testing operations

You can also read about our ambition to achieve net zero by 2050 for Scope 3 carbon emissions from the use of sold products for commercial engines in the Technology section.

#### Driving energy efficiency

GE Aerospace uses a Carbon KPI to track carbon emissions reductions at participating sites. Participating sites are required to track energy usage every month and prepare action plans using FLIGHT DECK to achieve targets.

The success of the program is supported at the site level by facility representatives, who work with the central team to identify and implement projects to improve KPI performance. Projects and actions implemented in 2024 have led to an annual reduction of approximately 13,900 metric tons of CO<sub>2</sub>e.

#### 50001 Ready

The International Organization for Standardization (ISO) 50001 standard helps organizations continually improve their energy performance, reduce costs, and meet their strategic decarbonization goals through the development of an energy management system (EnMS).

The U.S. Department of Energy's (DOE) 50001 Ready program recognizes facilities and organizations that have implemented an ISO 50001-based EnMS. The self-paced program offers a suite of resources that help drive structured energy improvements that do not require external audits or certifications.

In July 2024, our Peebles Test Operation in Ohio became the first GE Aerospace site to successfully complete the 50001 Ready program. This recognition underscores the team's leadership in adopting state-of-the-art energy management practices to measure and improve energy performance.

#### Compressed air improvements at Evendale

In early 2024, our Evendale headquarters completed a compressed air study identifying substantial savings related to air leaks and energy efficiency. We have developed a plan to repair identified leaks and implement processes to help ensure the system remains leak-free. In addition, a new compressed air system has been installed, programmed to cycle between compressors and closely match compressed air production to site demand. This effort generates energy savings of around 1GW per year.

#### **Energy treasure hunts**

One of the tools we use to help optimize energy efficiency in our sites is an energy treasure hunt (ETH). These events include subject matter experts and local team members actively applying lean practices to identify opportunities for optimizing energy efficiency. Teams are also equipped with an ETH playbook, which includes checklists for before and during the visit, an agenda, an energy observation worksheet, and templates for kick-off and follow-up actions. During a typical visit, teams explore ways to optimize operations and eliminate energy waste, calculating savings and costs. Findings are summarized in a presentation to the senior management team and a post-ETH action plan is established. Findings can range from quick paybacks, like reducing the temperature of hot water and cleaning air intake filters, to more complex and investment-heavy solutions, like installing LED lighting and upgrading heating, ventilation, and air conditioning units.

#### Engine acceptance testing fuel efficiency

We began piloting an internal engine acceptance testing fuel efficiency KPI at our largest testing site in Peebles, Ohio, in 2023. This has enabled greater focus on action planning and problem solving to reduce the use of jet fuel in commercial engine acceptance testing. As of 2024, we have consumed 15.7% less fuel compared to an equivalent mix of engines at our largest testing site, Peebles, in 2023.

These improvements are a result of the connectivity of our test cells around the world. The teams embody a continuous improvement mindset and when they uncover an improvement, they are quick to share best practices and standardized processes for jet fuel data collection with the other sites. The teams are also activating FLIGHT DECK to understand how to continue to eliminate waste from their processes and verify efficiency gains are sustained and scaled over time.

#### Using low-carbon fuels in our testing operations

SAF will be a significant contributor to the decarbonization of commercial aviation and GE Aerospace has been active in the assessment and qualification of SAF since 2006. In 2024, GE Aerospace procured 250,000 gallons of blended SAF to be physically delivered to Peebles Test Operation.



GE Aerospace's Peebles Test Operation.

## Market-based solutions as a decarbonization lever

Aerospace Carbon Solutions was created to further empower our customers with incremental tools and services to decarbonize at the lowest cost possible. Additionally, we are putting our capabilities into practice through the use of available decarbonization levers to help address our own Scope 1 emissions:

- 400,000 gallons of neat SAF purchased through the book-and-claim system
- ~1,000 metric tons of CO<sub>2</sub> offset from Scope 1 fleet emissions using carbon removal credits

By decoupling the physical fuel product from its lifecycle carbon emissions reduction, book-and-claim enables greater SAF adoption by eliminating the geographic barriers of benefiting from the use of SAF, allowing more customers to participate in SAF investments. This minimizes the added environmental footprint of physically delivering SAF, by uplifting near the point of production and taking credit for SAF environmental benefits.

GE Aerospace supports the International Air Transport Association's (IATA's) SAF Registry. This registry yields a trusted system for tracking the qualities and quantities of SAF, enabling confidence in the environmental benefits associated with each SAF purchase.

GE Aerospace intends for these actions to encourage wider adoption and use of SAF via book-and-claim and other market-based solutions.

#### **On-site solar power**

In 2024, we increased our generation of carbonfree electricity through new solar installations in Italy and Singapore.

Our site in Brindisi, Italy, operated by Avio Aero, a GE Aerospace company, began operating a 1.0 MW solar array in May 2024. Since then, it has provided the facility with about 658 MWh of its total electricity.

Also in 2024, GE Aerospace in Singapore added a second array of rooftop solar panels. A total of 1.9 MW of photovoltaic cells across two sites now generate a combined 2,300 MWh of electricity per year and are due to save more than 850 metric tons of CO<sub>2</sub> emissions; we will begin to see the benefit of this installation in 2026, when Renewable Energy Credits (RECs) will start to transfer to GE Aerospace.

Such efforts are helping us reduce our carbon emissions, lower our operating costs, and safeguard against rising energy prices.

#### **Carbon-free electricity**

In addition to making operational improvements in energy efficiency, we are also focused on procuring carbon-free electricity, including on-site solar electricity. We are actively engaging with energy power providers and identifying market mechanism opportunities such as power purchase agreements (PPAs). These would enable us to purchase a stable supply of carbon-free electricity over a specified period of time while supporting the development of renewable energy projects.

At the end of 2024, 53 sites across GE Aerospace utilized a form of carbon-free electricity. We accounted for 451,388 MWh of carbon-free electricity—enough to power 5,000 U.S. homes—and established plans to increase the procurement of carbon-free electricity between now and 2030.

Another integral component of our strategy is the use of Environmental Attribute Certificates (EACs), with a focus on premium or asset-specific attributes. This will allow us to purchase the attributes of carbon-free energy where physical generation may not be available.

#### GE Aerospace carbon-free electricity<sup>38</sup>



Hooksett, NH, United States



UK (seven sites)

Bangalore, India



renewable grid mix, off-shore wind

Lynn, MA, United States



Singapore

on-site solar

Brindisi, Italy

6.5 MW



Pune, India

38 Sites with carbon-free electric sources are not necessarily completely powered by those resources.

nuclear supply

on-site solar

off-site solar

on-site solar

#### Total emissions (absolute Scope 1 and 2) $^{39}$



# 428K 295K 283K 282K 295K 283K 2019 2022 2023 2024



**Scope 2 emissions**<sup>39,41</sup> (metric tons CO<sub>2</sub>e) (market-based)

#### Emissions and energy use<sup>41,42</sup>

	<b>2019</b> <sup>43</sup>	2022	2023	2024
Total emissions (absolute Scope 1 and 2)—market-based (metric tons CO <sub>2</sub> e)	951,490	718,458	728,592	544,922
Scope 1 emissions—market-based (metric tons $CO_2 e$ ) <sup>40</sup>	428,000	282,456	294,537	283,359
Scope 1 emissions—location-based (metric tons CO <sub>2</sub> e)	428,000	282,456	294,537	288,663
Scope 2 emissions—market-based (metric tons CO <sub>2</sub> e)	523,490	436,002	434,056	261,563
Scope 2 emissions—location-based (metric tons CO <sub>2</sub> e)	513,078	441,302	441,385	418,013
Operational energy used (MWh)	3,255,320	2,685,746	2,476,158	2,494,212
Total electricity (MWh) <sup>44</sup>	1,400,434	1,278,055	1,276,090	1,277,961
Carbon-free electricity (MWh) <sup>45,46</sup>	0	61,720	77,198	451,388
Percentage of carbon-free electricity (%)	0	5%	6%	35%

- 39 Data values are rounded.
- 40 Scope 1 market-based accounts for market-based mechanisms.
- 41 2019 and 2022–2024 data is presented here to reflect the profile of GE Aerospace as it exists today.
- 42 Carbon emissions for base year 2019 and reporting years 2023 and 2024 have undergone limited assurance by an external audit.
- 43 GE Aerospace uses 2019 as the baseline year for emissions tracking. This baseline reflects the company's current operations. Significant changes affecting emissions by more than 5% will prompt a recalculation of this baseline.
- 44 Total includes the electricity usage for facilities and fleet.
- 45 Carbon-free electricity refers to electrical energy produced from resources that generate no carbon emissions while operating.
- 46 Data includes Environment Attribute Certificates (EACs) (bundled and unbundled) and on-site generation.

#### Scope 1 emissions<sup>39,40,41</sup> (metric tons CO<sub>2</sub>e) (market-based)

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# Managing hazardous materials

Technology

Our high standards of safety and environmental stewardship involve the management of hazardous chemicals and substances of concern. We comply with evolving regulations and prioritize the wellbeing of our workers and the environment.

#### Substances of concern

GE Aerospace complies with laws regulating the use of chemical substances and their potential impacts on both human health and the environment. These include the Toxic Substances Control Act. as well as EU and UK REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals) regulations. We actively monitor and manage our operations as new chemicals regulations are developed.

We work on limiting and substituting hazardous substances with safer alternatives where feasible. EHS professionals at our sites oversee chemical usage at every facility to comply with these laws.

#### **Remediating legacy sites**

People

We manage sites that are, or may be, impacted by legacy contamination arising from current or former manufacturing operations, prioritizing the health and safety of our workers, the communities in which these sites are located, and the environment. We manage our remedial actions at these sites in compliance with applicable environmental laws and regulations.

Learn more in our Annual Report on Form 10-K.  $\rightarrow$ 

## Water stewardship

We recognize that water is a vital resource, both to the environment and to the communities in which we operate.

Our water use inventory process adheres to the reporting principles outlined in the GHG Protocol Corporate Accounting and Reporting Standard, revised edition. It follows the control approach, which includes water use and discharge data at sites where GE Aerospace has operational control. We collect water use and discharge data from main offices, manufacturing sites, research laboratories, and other non-manufacturing facilities.<sup>47</sup>

We are focusing our efforts on understanding our water footprint. To that end, we track water consumption by category, business unit, site, country, and region to prioritize water management in water-stressed areas.

In addition, we performed our latest water-related risk assessment in February 2025, using the World Resource Institute's Aqueduct tools to provide valuable insights into the challenges we face in areas of high water stress. Our analysis revealed that only two manufacturing sites across two countries (India and Mexico) are situated in locations experiencing extremely high water stress. We plan to enhance water management practices and develop mitigation plans in these locations in the future.

47 At sites where we do not have meter data or invoices, we use estimates based on proxy data from sites with similar operations and extrapolate based on area of floor space.

#### Water saving in Bangalore, India

At the John F. Welch Technology Centre, our global research and technology development site in Bangalore, India—a city with limited water availability—we have been working to improve our water management system and reduce the amount of water used on-site.

For example, we have installed sensors and aerators on all washroom faucets, educated our housekeeping personnel on the importance of efficient water use and efforts for rain water harvesting, and aim to reuse all treated wastewater for toilet flushing and watering the campus landscape. In total, these changes have saved 18 cubic meters per day of outsourced water, and reused and recycled 145 cubic meters per day of treated wastewater and rainwater.

We will continue to explore opportunities for reducing, reusing, and recycling water at the site in 2025 and beyond.



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# Enabling circularity

Circularity principles exist throughout a GE Aerospace engine's lifecycle: Design, sourcing, manufacturing, product maintenance, repair, and overhaul (MRO), and end of life.

Our circularity approach revolves around repairing engine components and recovering metal within our value chain to the fullest extent possible and reducing waste across the product lifecycle. Optimizing the application of repair technologies to recover and extend the usability of parts while reverting or recycling those that are not repairable enables efforts to reduce the upstream carbon footprint of our products and reliance on virgin materials.

#### Material flow definitions

- **Repair:** Restoration of worn or damaged engine parts to a serviceable condition in accordance with the Instructions for Continued Airworthiness
- **Revert:** Recovery of high-performance metals for reuse in aerospace applications
- **Recycling:** Recovery of metals for reuse in lower-grade alloys

#### Our approach to circularity





#### **Design and sourcing**

Durability is a key consideration in the selection of materials. Selecting the right material reduces the need for frequent replacements. We strive to consider aspects associated with the maintenance and repair of materials during the design stage with an eye toward future repairability to extend the useful in-service life of parts.

#### Manufacturing

Embodying a continuous improvement mindset, we continually seek to improve the efficiency of our advanced production technology and processes to minimize material consumption and reduce waste. We also recover metal revert in our internal manufacturing shops, some of our suppliers' shops, and our MRO network. Working closely with our suppliers and engineering teams, we aim to maximize revert metal recovery through segregation best practices at site level, delivering more reclaimed metal to our supply chain.

As an example, approximately 40% of the strategic nickel alloys we use is revert. We also have robust recovery programs for other alloys, including a proprietary process for recovering platinum contained in environmental coatings for key hot section parts.

#### Product maintenance, repair, and overhaul

When an aircraft engine arrives for maintenance, it is disassembled into modules and components, ready to be repaired or replaced with new, repaired, or used serviceable parts. To reduce the amount of new parts required during maintenance, we continually invest in the development of new repairs and repair capacity.

Our advanced repairs restore engine-operated components to within serviceable limits, helping maintain and extend their service life and reduce the demand for new parts. Currently, there are thousands of repairs on our books to restore used GE Aerospace and CFM International engine parts to serviceable conditions.

To boost our MRO network's ability to industrialize and scale up repair processes, we have consolidated multiple activities in a new Services Technology Acceleration Center (STAC) in Ohio. Opened in November 2024, the STAC is dedicated to advancing inspection, repair, and overhaul technology that will be used at aviation service shops around the world. The facility will allow for collaboration between engineering and manufacturing to demonstrate a technology's manufacturing readiness before scaling it for use at MRO shops.

The STAC will also accelerate the pace of inspections using artificial intelligence (AI), machine learning, and robotics to assist in standardizing and improving repair processes. As these processes become more standardized and MRO personnel get trained, an increasing number of repairs will be completed at individual sites, reducing the need to ship parts around the world.

#### **End-of-life solutions**

GE Aerospace's used materials division provides a comprehensive portfolio of products and services dedicated to used material inventory management, consignment, and brokerage services and distribution of used serviceable engine parts and line replaceable units. GE Aerospace has more than 25 years of experience as a leading global provider of used serviceable material for CF6, CF34, GE90, GEnx, and CFM56 engines, leading the end-of-life solutions across the used GE Aerospace and CFM International engine market.

During the process of an engine retiring from the fleet, a critical evaluation of several end-of-life management pathways is performed to optimize the outcome. These solutions include the overhaul and rebuild of the engine to re-enter the flying fleet and support aging fleets; and engine retirement and disassembly into single parts that can be repaired, reverted, or recycled in the following ways:

- Repaired parts can be reused during engine service to support overhaul, reducing the number of new parts required
- Parts can be stored for future repair development
- End-of-life parts can be reverted to the raw material stream, then re-enter the aerospace value chain. If the metal cannot be recovered for reverting purposes, materials are recycled as scrap metal for use in a variety of industries

### We maintain, repair, and overhaul components to extend their service life, meeting airworthiness requirements,





People

#### People

# Empowering people and communities

At GE Aerospace, we are passionate about lifting people up in the communities where we live and work. We strive to create an environment where every employee has a chance to reach their full potential through challenging work, coaching, and continuous learning opportunities.



# Our culture

Our confidence to deliver for today, tomorrow, and the future is driven by our culture, which is rooted in three key Behaviors: Respect for People, Continuous Improvement, and Customer Driven. These Behaviors guide our actions, decisions, and interactions, creating a workplace where innovation thrives, collaboration is valued, and customer needs are at the forefront of everything we do.

#### **Our GE Aerospace Behaviors**

Our evolved GE Aerospace Behaviors—Respect for People, Continuous Improvement, and Customer Driven, always with unyielding integrity—are core to a lean mindset and the right natural evolution for our path forward. These Behaviors build a unified, purpose-driven organization where everyone can contribute to our collective success.

#### Our Behaviors

#### Respect for People

- We put safety first
- We lead with transparency and value inclusive teams and diverse perspectives
- We contribute to each other's development in a constructive way

#### **Continuous Improvement**

- We act with humility and are always in search of a better way
- We learn from our shortcomings as much as we celebrate our wins
- We embrace candor, sharing information to solve problems

#### Customer Driven

- We deliver with focus, prioritizing our work and maximizing our impact
- We measure performance through the lens of our customers
- We actively listen to internal and external sources with the intention of learning, not just responding

By aligning our actions with these Behaviors, we bring our culture to life. This helps position us at the forefront of the aerospace industry.

#### Our cultural aspirations

Our organizational culture supports talent attraction, engagement, and retention, and promotes ways of working that are strongly connected to our business goals. We are striving to build an environment where every employee has the opportunity to achieve their full potential. We aspire to have a culture known for our:

**Passionate innovators:** We are a team that develops technology to invent the future of flight, by taking considered risk and rapidly experimenting to learn and innovate.

Accountable owners: We are proud to call the company our own and recognize the honor and responsibility that comes with it. We move thoughtfully, decisively, and with urgency to deliver for our customers, employees, and shareholders.

**Collaborative problem solvers:** We are driven by our purpose and shared priorities to win as one team. We trust and empower each other to prioritize and do what's right for our employees and customers.

**Developers of world-class talent:** We are on a mission to develop the best people, and we continuously invest in their development by entrusting them with challenging work. We create an environment where every employee has an equal chance to reach their potential. Our Employee Resource Groups (ERGs) are open to all employees and promote engagement and innovation, and foster a respectful culture.

#### **GE Aerospace engagement survey**

In 2024, we conducted our enterprise-wide engagement survey, part of our commitment to a strong employee listening strategy and continuous improvement. It's through this survey that we can measure our progress and build action plans to bring our Behaviors and culture to life. Results showed that, overall, our employees feel their safety is prioritized and that the company maintains high ethical standards.

"Respect for People, Continuous Improvement, and Customer Driven always with unyielding integrity—are core to a lean mindset and critical to FLIGHT DECK success. Together, our Behaviors and FLIGHT DECK enable us to transform strategy into tangible operational and financial results, achieve strategic breakthroughs, and create a culture we are proud to call our own."

Christian Meisner Chief Human Resources Officer, GE Aerospace





#### Activating culture through FLIGHT DECK

FLIGHT DECK, our proprietary lean operating model, is how we work to deliver exceptional value for our customers. Our Behaviors reinforce the culture that we aspire to create, and the Fundamentals give us the path to safety, quality, delivery, and cost, in that order. No matter where employees sit in the organization, FLIGHT DECK is applicable—and the best way to understand the power and impact is to see it in action.

**FLIGHT DECK Foundations** is an immersive four-day experience that was held multiple times in 2024 in Terre Haute, Indiana. The experience brings together many leaders from across the business and employees are divided into cross-functional, product-aligned teams that have the opportunity to actively problem-solve a key performance indicator they are trying to address. Additionally, these teams have the opportunity to see FLIGHT DECK in action at our Terre Haute facility.

The FLIGHT DECK Transformation Team development program is focused on growing employee knowledge and experience in FLIGHT DECK. This group of early and mid-career professionals is assigned to critical business challenges and achieves impact through experiential learning and coaching. The participants then return to the business to help others apply FLIGHT DECK and drive impact.

**The FLIGHT DECK Activation Hub** is the gateway to FLIGHT DECK where employees can find resources and standards that are crucial for delivering exceptional value to our customers.

Learn more about FLIGHT DECK in action. ightarrow

#### Kaizen events

Our commitment to continuous improvement is exemplified through our five-day kaizen events. In 2024, we held kaizen events all around the world, including a dedicated Leadership Kaizen Week led by our top senior leaders. These events give employees the opportunity to problem-solve where the work is done and better understand how to activate FLIGHT DECK. During the week, the teams are focused on improving our processes through rapid "trystorming," customer needs, and sustainable changes.

Our people are activating FLIGHT DECK and embracing a continuous improvement mindset.

Governance

# Talent development and engagement

Technology

We are focused on attracting, developing, and retaining the best talent by actively engaging with all employees and making learning and development opportunities available to them, wherever they are in their career.

#### Attracting the best talent

We are continuously competing to attract the very best talent. We conduct training to strengthen our talent acquisition processes, and work with local colleges, universities, and various organizations to expand our talent pools.

Our Leaders Innovating Flight for Tomorrow (L.I.F.T.) Summit is designed to widen our reach to university talent across the United States. This three-day, early-access career event introduces students to our company and culture, and creates a pipeline of talent for our summer internship, development, and research programs.

#### Our global development programs

People

Our development programs are two-year rotational programs dedicated to career-shaping experiences to grow talent in critical functions. These programs provide the primary path for university graduates into GE Aerospace careers. Students can build skills in critical areas of the company with active coaching, training, work content with business impact, and a connected peer community. This is an opportunity for employees to accelerate their future with GE Aerospace.

Our programs include:

**Digital Technology Leadership:** Build digital products and services that accelerate the way our company works and deliver value to GE Aerospace's employees worldwide.

Edison Engineering Development: Apply engineering fundamentals and design, analyze, and test the technology that continues to innovate how the world flies.

Financial Management: Gain exceptional corporate finance expertise through challenging assignments, training, and leadership opportunities in GE Aerospace's core finance competencies.

Human Resources Leadership: Shape the employee experience, develop talent, and become an operational partner for our business.



#### Manufacturing Engineering Development: Offer mentored assignments in manufacturing engineering to gain technical depth and experience through a mix of on-thejob training and classroom education.

Military Officer Leadership: Provide challenging assignments to give the necessary foundation for officers leaving the military and looking to start their first civilian role.

**Operations Management Leadership:** Build skills and leadership in manufacturing with broad exposure to the supply chain (including manufacturing, sourcing, quality, logistics, and environmental, health, and safety).

#### Our experienced professionals' programs

GE Aerospace offers the Take2Flight program for experienced professionals returning to work after a career break of at least one year. This "experienced career relaunch" program offers 12 weeks of customized onboarding and training, designed to help returners with non-traditional career journeys and different life experiences ease back into full-time technical positions.

We are also proud to support the Department of Defense's SkillBridge program, which provides service members with an opportunity to gain real-world training and work experience with approved partners during their last 180 days of service. As a SkillBridge partner, we offer specific industry training and work experience in in-demand fields of work while having the opportunity to evaluate the service members' suitability for the work.

Learn more about our global development programs.



#### Onboarding our new employees

New GE Aerospace employees are introduced to our company through our Joining GE Aerospace program. The multi-week course provides insights into the company's history and future, our various businesses, the GE Aerospace Behaviors, and FLIGHT DECK. This welcome program helps new employees feel more connected to the organization and their colleagues, launching them into their jobs with a sense of pride and belonging.

#### **Developing our people**

GE Aerospace is committed to making quality learning opportunities available to all employees. Learners can build new skills and capabilities through a variety of tools, including online resources like the FLIGHT DECK Activation Hub and the Learning Central platform, and virtual and inperson learning sessions covering professional skills and FLIGHT DECK, our proprietary lean operating model.

#### **On-demand learning**

Learning Central offers on-demand learning to support professional development skills such as career development and people leadership. The platform includes access to LinkedIn Learning, getAbstract, and aerospacespecific content. Through this accessible, centralized portal, employees benefit from a wide range of tailored content and a personalized experience, based on individual profiles and interests.

~2м

2024 total courses completed in GE Aerospace Learning Central

#### Training our leaders

Additionally, leadership learning offerings are designed to help employees grow their careers and leadership capabilities at every stage, providing the skills necessary to lead our organization to the next level. They include:

**Impactful People Leadership:** Guiding new leaders on what it means to be a people leader.

**Driving Results Through Collaborative Leadership:** Boosting leadership and collaboration capabilities to manage cross-functional teams.

**Owning Your Success:** Helping employees understand how they can build their careers within the organization.

Read more about how we are <u>developing our employees</u> through workforce skills programs and reducing barriers to training to help the aviation industry meet increased demand.

#### Performance management

Our performance management system—People, Performance, and Growth—is designed to help employees understand their performance against their priorities, as well as demonstrate our <u>GE Aerospace</u> <u>Behaviors</u>. This performance management system drives greater responsibility for performance at an individual level and directly links individual achievements to incentive compensation.

Our executive teams conduct regular reviews of talent and performance, particularly in the context of critical roles, succession, and business goals. We also provide our employees with resources to help them manage professional and personal priorities.

## Workplace environment

Being an employer of choice and providing a safe, fair, and respectful work environment is embedded in our culture, operations, policies, and procedures.

#### Fostering a respectful workplace

Respect for People—where all employees' perspectives are valued—is a GE Aerospace Behavior that shapes our culture. GE Aerospace's respectful workplace policies are the foundation of our Respect for People commitment.

Aligned with our Human Rights Statement of Principles, we prohibit discrimination or harassment against anyone based on race, color, religion, national or ethnic origin, ancestry, sex, gender, sexual orientation, marital status, genetic information, age, disability, military and veteran status, or any other characteristic protected by law.

We respect workers' rights to freedom of association, privacy, collective bargaining, immigration, working time, and wages and hours, and prohibit forced and child labor, and employment discrimination in our operations, as well as our business partnerships.

Our Respectful Workplace Policy details every employee's responsibility for treating each other, as well as applicants, customers, suppliers, and contractors, with fairness and respect. The Respectful Workplace Enterprise Standard offers guidance on preventing discrimination, harassment, or bullying against any employee or applicant based on any characteristic protected by law. Any employee with concerns can raise them through our <u>Open</u> Reporting program.

#### Promoting fairness and opportunity

At GE Aerospace, fostering an environment centered on Respect for People empowers every employee and provides them with the opportunity to contribute to improving our performance.

- Our compensation philosophy reinforces our focus on respect and fairness
- We establish consistent pay ranges and structured bonus plans that align with our pay-for-performance philosophy while maintaining a strong focus on safety
- We review pay regularly to help ensure our pay practices are competitive and equitable

#### Flexible and hybrid work

At GE Aerospace, we recognize that there are some circumstances that may require a flexible or remote work arrangement, and we promote such arrangements where they support an employee's personal needs as well as the needs of the business. We encourage such arrangements so that where possible, our employees can individualize their schedules to maximize productivity. The options we offer include flextime and part-time opportunities, job sharing, reduced and compressed hours, telecommuting, hybrid work, and remote work.

We offer a hybrid model of working, in accordance with national laws and local agreements where they exist. This arrangement gives employees the option to work remotely, away from their primary business location, for a set number of days a week, giving them additional flexibility while still facilitating valuable in-person collaboration. People leaders determine how to implement this arrangement to meet customer, business, and team needs.

We also appreciate that many roles across the business can only be completed on-site. In such cases, alternative flexibility options are considered.





#### **Global wellbeing**

We understand that the personal wellbeing of our people is essential to our overall success as a business. We are constantly evolving and innovating to meet our mission on a global scale, measuring engagement and using metrics to inform future campaigns and activities.

All employees have access to support their wellbeing, including physical and emotional wellbeing, through physical activity and resilience programs, our Employee Assistance Program (EAP), and the Aerospace Response Center, which is staffed 24/7. We also have a family wellness center to support team members in Cincinnati.

Through our global program HealthAhead, we support employees and their families in optimizing their health and wellbeing in ways that reflect their local communities and cultures. In 2024, HealthAhead delivered campaigns and programs to improve resilience and wellbeing for employees and people leaders, including Wellness Champion events, webinars, and multiple global campaigns. In addition, HealthAhead supported several charities, including Save the Children, Direct Relief, the World Food Programme, and the International Rescue Committee.

#### **U.S. family benefits**

GE Aerospace provides a variety of benefits to employees and their families, including medical, dental, vision, life and disability insurance, and retirement savings.

Specific to family planning and benefits, we offer personalized guidance and resources through counselors and online services to help manage challenges, money, and stress. These counselors can also help employees navigate adoption, pregnancy and preparing for parenthood, childcare, parenting, coping with disability, aging, and preparing for retirement. Our disability leave benefit includes up to eight weeks of paid time for the birth mother following the delivery, plus additional paid parental leave of up to ten weeks for maternity, paternity, or adoption. Full-time salaried employees also receive permissive time off, which allows them to take vacation or sick time off when needed with no predefined limits.

#### Health and wellness program highlights

To support families, the other benefits we offer include:

- Infertility benefits: Benefits offered under the company's medical plans include coverage for certain medical and pharmacy services, including but not limited to (subject to plan rules) in vitro fertilization (IVF).
- **GE Aerospace Babies:** Eligible members can get oneon-one assistance during pregnancy planning, while pregnant, and after pregnancy. Maternity care nurses provide personalized advice and guidance to available resources to support through pregnancy planning, infertility support, high-risk pregnancies, premature birth, and benefits and claims issues.
- Maternity Care Select: A GE-negotiated centers of excellence program available in certain markets, where eligible participants under the company's medical plan receive access to enhanced coverage and navigation for the full episode of maternity care for delivery, the inpatient hospital stay, routine prenatal care, and other associated services.
- Moms on the Move: Enabling mothers who are nursing and traveling for business within the United States to ship milk back to their babies at no cost. Moms can request milk storage and shipping kits to be sent to their location for use with their pump.
- Adoption Assistance program: The program will reimburse eligible adoption expenses, per adoption, up to an annual maximum.

• **Cariloop:** A dedicated care coach support service provides employees and those whom they consider family unlimited access to care coaches, at no cost to the employee and tailored to each member's personal situation.<sup>48</sup> Some examples of support include senior/ elder care planning, in-home back-up child or elder care or nanny services, special needs support and planning, center-based childcare, tutoring, homeschooling support, and enrichment activities.

Employees have online access to resources and plan information related to GE Aerospace health and welfare programs at:

- **HR Central:** This online portal and mobile application organizes program content on benefits, tools, and resources, including those outlined on this page.
- Health Coach from GE Aerospace: Since 2006, Health Coach's specially trained nurses, backed by a team of doctors and other service professionals, have helped tens of thousands of employees and their family members deal with chronic illness, medical conditions, and claims issues. Today, Health Coach offers even more ways to support with expert guidance and world-class medical resources. Some examples of how they help GE employees and their families include finding high-quality providers, including after-hours care; understanding a diagnosis and treatment options; access to Centers of Excellence programs including Maternity Care Select; help with resolving medical claim issues; and utilizing the company's EAP benefit.

Wellness covers other areas with financial, emotional, and preventive services; for example, Employee Assistance Program, Substance Use Hotline, Talkspace, Telemedicine, and Tobacco Cessation Resources.

<sup>48</sup> Care coach service support is provided at no cost to the employee. However, employees are responsible for paying the full cost of any services or provider they choose to use.

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# Human rights and ethical supply chain

People

Respecting the human rights of our workforce and those in our value chain is a core part of GE Aerospace's commitment to integrity. Maintaining GE Aerospace's approach, we treat everyone affected by our business with fairness and dignity, respect employees' rights to freedom of association, and foster strong relationships with suppliers and other stakeholders in our value chain.

#### Policies, principles, and standards

Our human rights program is built on a suite of policies and standards that are embedded across our operations and value chain.

#### **Human Rights Statement of Principles**

GE Aerospace is committed to operating with compliance and unyielding integrity wherever we do business. Respecting the human rights of our workforce and those in our value chain is a cornerstone of this commitment, in line with the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Ten Principles of the United Nations Global Compact (UNGC).

Driven by those standards, we strive to respect the dignity of everyone we might affect—directly or indirectly through our operations, products, services, and business relationships across the globe.

Our Human Rights Statement of Principles are grounded in respect for all internationally recognized human rights addressed by the International Bill of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, and the Sustainable Development Goals.

We remain committed to working with all our business partners and entities throughout our value chain to align their policies and practices with the expectations set out in our Statement of Principles.

#### The Spirit & The Letter

The human rights expectations of all GE Aerospace employees, directors, and officers are detailed in our Code of Conduct, The Spirit & The Letter (S&L). This incorporates our <u>Human Rights Policy</u> and provides an overview of employee responsibilities and expectations.

#### Human Rights Enterprise Standard

Our operational requirements for this risk area are outlined in the Human Rights Enterprise Standard, which helps us identify, understand, and respond to the salient human rights risks our company faces. The standard sets out minimum requirements regarding risk assessment and identification, the due diligence of third parties, and the escalation and remediation of any human rights concerns.

Our Human Rights Risk Focal regularly collaborates with a cross-functional group of stakeholders to discuss the implementation of the standard and the evolving human rights landscape.



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#### Human rights stakeholder engagement

GE Aerospace engages with many external stakeholders to identify human rights risks throughout our value chain and collaborates with peers, experts, and civil society groups to seek practical solutions.

- We actively participate in the UNGC and align with its Ten Principles on human rights, labor, environment, and anti-corruption.
- As a founding member of the Global Business Initiative on Human Rights, we work with other multinationals to embed respect for human rights into our business operations, drive improvements through peer learning, highlight challenges, and address human rights risks.
- We are engaged in the Leadership Group for Responsible Recruitment (LGRR), a group of companies and expert organizations working to improve the recruitment of migrant workers. LGRR supports ethical recruitment practices and promotes the Employer Pays Principle, a concerted effort to eliminate the practice of charging workers a recruitment fee to secure employment.

We provide employees with training and communication materials focused on respect for human rights and our prohibition on forced labor; our relevant companywide policies and programs on these topics; and, most importantly, how they can serve a role in identifying and reporting possible signs of human rights issues when they are at GE Aerospace operations, supplier facilities, or customer sites. We strive to continuously improve our procedures to identify, prevent, mitigate, and remedy our salient human rights impacts.

#### Freedom of association

We are committed to engaging meaningfully with worker associations and recognized unions, and have enjoyed respectful and successful relationships with labor unions around the world for many years.

**United States:** As of December 31, 2024, we had over 3,600 union-represented manufacturing and service employees in the United States.<sup>49</sup>

**China:** Approximately 315 employees have formal representation in China through the GE Aerospace China Union Committee.<sup>50</sup>

Latin America: In Brazil, almost 2,300 employees are represented by unions.<sup>51</sup>

**Europe:** As well as engaging with national works councils, trade unions, and other employee representative bodies where appropriate, our own European Works Council covers 99% of our European workforce, representing over 12,600 employees.<sup>52</sup>

- 49 Union-represented employees at sites in the United States on 12/31/2024.
- 50 All production employees in Suzhou and Shanghai are considered union employees.
- 51 All production employees in Brazil. Union affiliation is undefined in Workday per privacy laws, but all production employees are covered by union agreements.
- 52 Approximately 99% of GEA employees in Europe are covered by the EWC (excludes only senior leadership). Specific union affiliation is not captured due to privacy laws.

The human rights expectations of all GE Aerospace employees, directors, and officers are detailed in our Code of Conduct, The Spirit & The Letter (S&L).

#### Ethical supply chain

GE Aerospace is committed to integrity and high standards of business conduct in our dealings with suppliers. We have an extensive Supplier Responsibility Governance (SRG) program that is designed to foster an ethical, sustainable, and transparent global supply chain and establish clear social and environmental expectations for suppliers. Under our SRG program, we prioritize suppliers for detailed preengagement and periodic post-award audits, including both on-site and desktop audit assessments.

The SRG program allows us to continuously assess, monitor, and drive improvements within our supply chain. Regular communication and engagement with suppliers helps build their capacity to improve their environmental, health, and safety (EHS) practices, and reduce human rights and modern slavery risks. We are particularly focused on safety, environment, working conditions and, where relevant, living conditions of suppliers' employees.

Our systematic approach to SRG program management includes:

- Rigorous in-person auditing by trained, certified auditors to assess compliance with our requirements before onboarding
- Country risk-level classifications every two to three years, assessing manufacturing and human rights risks using third-party data and risk indices
- Prioritizing suppliers for audits based on location, the parts they produce, and whether they use brokers to recruit migrant workers

53 Any country that shares an internationally recognized border with the DRC, namely Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

- Ongoing compliance monitoring using on-site or remote audits, depending on supplier risk
- · Recording, tracking, and monitoring all the findings from our SRG audit in a third-party reporting tool, with timely issue resolution and corrective action plans where necessary

We also require our sourcing employees to go through training on the SRG program, while additional training is given to those employees who conduct audits.

See our Sustainability databook for details of our performance in this area.

#### Integrity Guide for Suppliers, Contractors, and Consultants

All suppliers and business partners must agree to abide by our standards of business conduct by contractually committing to the GE Aerospace Integrity Guide for Suppliers, Contractors, and Consultants. The guide sets out our requirements for relationships with suppliers, contractors, and consultants (collectively "suppliers"). The guide requires them to respect the human rights of their employees and others in their business operations and activities for GE Aerospace, as well as to comply with our standards on lawful business practices, safe and healthy work environments, and ethical conduct, among other topics.

Suppliers' responsibilities include respecting the human rights of employees and others in their business operations, including activities with GE Aerospace. We explicitly prohibit suppliers from using child, prison, forced, or indentured labor or any form of compulsion, coercion, or human trafficking. Furthermore, we require our Tier 1 suppliers to cascade the requirements of the guide to their own suppliers.

#### **Responsible mineral sourcing**

GE Aerospace is dedicated to respecting human rights through responsible sourcing practices, particularly for products containing tin, tantalum, tungsten, and gold (collectively known as 3TG). GE Aerospace requires suppliers to adopt policies and establish systems to procure 3TG from sources that do not directly or indirectly finance armed groups in the Democratic Republic of the Congo (DRC) or other Conflict-Affected and High-Risk Areas.<sup>53</sup> Refer to our Responsible Mineral Sourcing Principles to learn more about our efforts to responsibly source minerals.

Each year, we undertake reasonable due diligence to determine if any of our products containing 3TG originated in the DRC or conflict-affected areas, by requesting information from our Tier 1 suppliers. We continue to achieve at least a 75% response rate every year. We then file a report with the U.S. Securities and Exchange Commission. See our most recent Conflict Minerals Report for details.

In collaboration with a third party, we offer annual awareness training on conflict minerals with our suppliers. to help them comply with relevant regulations and our own **Responsible Mineral Sourcing Principles.** 







# Community impact

We are passionate about creating positive change in our communities through volunteerism, company giving, and the GE Aerospace Foundation.

Having inherited a more than 100-year legacy of philanthropy from GE, GE Aerospace's approach aligns with our mission to "lift people up" in the communities where we live and work. Our four areas of focus are: science, technology, engineering, and mathematics (STEM) education; workforce training and development; military and veterans causes; and disaster relief and humanitarian aid.



#### STEM education

Our global Next Engineers program provides students with hands-on experience, building awareness and interest in a career in engineering.

- Six-year, \$20 million commitment in 2024 to extend the program through 2030
- 22,000 students reached
- \$1.9 million in scholarships awarded
- First cohort of 162 students graduated
- Expanded the program to three new sites in Poland, India, and the United States

#### Workforce training and development

Supporting workforce skills programs and reducing barriers to training help the aviation industry meet increased demand.

- \$2.3 million donation to 19 partner organizations that support advanced manufacturing skills training and career opportunities
- \$1 million grant from the GE Aerospace Foundation supported the creation of the United Way of Greater Cincinnati's (UWGC) Future of Manufacturing Fund
- Announced a new \$1 million commitment in 2025 to extend our partnership with the Advanced Manufacturing Training and Expansion Program (AMTEP), which has provided workforce training for more than 600 adults in Massachusetts

#### Military and veterans causes

With military veterans representing 13% of our U.S. workforce, we are proud to support those who have served and their families.

- Donated \$150,000 to two charities that support veterans transitioning into the civilian workforce: Hiring Our Heroes (U.S.) and Forces Employment Charity (UK)
- \$400,000 donated to three nonprofits—Fisher House Foundation, Habitat P.L.U.S., and Tragedy Assistance Program for Survivors—to help veterans and their families with housing and counseling

#### Disaster relief and humanitarian aid

Leveraging aviation's ability to expedite response efforts, we support global disaster and humanitarian relief efforts.

- GE Aerospace Foundation gave \$2 million following major global disasters and humanitarian crises in 2024
- Responded to Hurricane Helene and Hurricane Milton in coordination with relief organizations including the American Red Cross and Airlink, which supports the industry's role in disaster response

#### Community impact report

In February 2025, we published a standalone report about our philanthropic efforts in our communities. Please see Lifting Up Our Communities: 2024 in Review to learn more. "Giving back is bigger than just one moment in time, it is integral to who we are as a company. Our philanthropic focus is shaped by the unique role aviation plays in the world, centered on developing a strong future workforce, providing rapid relief when disasters strike, and supporting military veterans and their families. We are honored to help make a difference in our communities, with more than \$21.5 million in contributions last year across our company, employees, and the GE Aerospace Foundation."

**Meghan Thurlow** President, GE Aerospace Foundation



54 GE Aerospace became a standalone public company in April 2024, launching the GE Aerospace Foundation in May 2024, which continues the legacy of the GE Foundation and its contributions made between January and April of 2024. Governance

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#### Governance

# Operating responsibly and ethically

We have a robust governance structure in place to operate our business in a responsible and ethical way.



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# Sustainability governance structure

GE Aerospace's sustainability priorities and programs have oversight and responsibility at the Board, senior leadership, and functional levels.

The GE Aerospace Board of Directors (the Board) and its committees oversee the establishment and execution of corporate strategy. The company's senior leadership team is responsible for developing our sustainability strategy, focusing on priorities, and for the company's sustainability performance—and reports to the Board and its committees on GE Aerospace's sustainability activities and progress. Our sustainability function coordinates day-to-day sustainability-related activities and is led by the CEO of Aerospace Carbon Solutions and Sustainability.

#### Board oversight of sustainability

The GE Aerospace Board of Directors oversees the company's sustainability priorities and initiatives as an integrated part of our overall strategy and risk management. Matters related to sustainability often span multiple functional categories and areas of oversight, and therefore involve discussion at the full Board level as well as at individual committees. The Governance & Public Affairs Committee (Governance Committee) has primary oversight of our priorities and external reporting related to sustainability matters. This includes supporting the full Board's oversight of strategy, risks, and opportunities related to sustainability. The Governance Committee also oversees political spending and advocacy, human rights, and environmental, health, and safety (EHS).

**The Audit Committee** also has a role to play in sustainability matters, to the extent these topics relate to financial reporting and regulatory requirements. This includes reporting on these matters in Securities and Exchange Commission (SEC) filings and data quality related to this reporting.

#### The Management Development & Compensation

**Committee** has oversight of strategies and policies related to human capital management, including with respect to matters such as workplace environment and talent recruitment, development, engagement, and retention.

More information on the role of each committee can be found in our <u>Proxy Statement</u> and in each committee's charter, which can be found on the Governance section of our website.

# Management oversight of sustainability

Strong sustainability engagement from management and the sustainability function enables effective oversight and alignment across our organization's key functions.

#### Sustainability Senior Aerospace Leadership Team (SALT) Steering Committee

Our Sustainability SALT Steering Committee comprises senior leaders from key business areas and functions. The Committee develops the company's sustainability strategy, focusing on our sustainability priorities, and is responsible for sustainability performance and integration across the company.

#### **Sustainability Council**

Chaired by our sustainability leader and staffed by a wide range of corporate functions, including legal, finance, sustainability, communications, investor relations, talent development, human resources, supply chain, and quality, the Sustainability Council meets monthly to:

• Support sustainability strategy and implement sustainability initiatives across business units and functions

- Monitor progress toward delivering on sustainability goals established by the Sustainability SALT Steering Committee
- Address gaps in our sustainability programs
- Review sustainability disclosures, including the Sustainability Report and regulatory reporting requirements

Progress and challenges in the areas above are escalated to the Sustainability SALT Steering Committee as needed.

The Council is supported by cross-functional working groups that support our work on priority areas, including climate policy and sustainability compliance and reporting.

However, sustainability at GE Aerospace remains the ultimate team effort, with our employees united in realizing the success of our mission.

#### Sustainability oversight

Board of Directors	
Sustainability Senior Aerospace Leadership Team Steering Committee	▼
Sustainability Council	
Working groups	
Functional owners	

Governance

People

## Enterprise risk management

GE Aerospace manages enterprise risk using a defined process, active leadership involvement, and robust governance practices.

Our enterprise risk management framework includes a multi-tiered holistic review with a quarterly cadence intended to inform our annual long-term strategy planning. Through this process, our senior management defines, identifies, and prioritizes top enterprise risks.

#### Our enterprise risk management framework

The foundational tier of our enterprise risk management framework is a working committee, comprising senior leader representatives from across the enterprise, cochaired by the Chief Compliance Officer and Chief Risk Officer. This committee assigns business risk owners to key top risks, defines our company's risk profiles, and reviews risk tolerances and response strategies. Its output is brought to our Executive Risk Committee, comprising members of the SALT, co-chaired by the General Counsel, Chief Financial Officer, and Chief Compliance Officer. This committee provides additional oversight, approves risk tolerances, and escalates key risks to the Audit Committee and Board.

This structure drives accountability in our business, ensuring effective risk management practices. Ultimately, the Audit Committee oversees GE Aerospace's enterprise risk management framework. Both the Audit Committee and Board receive enterprise risk reports from the Chief Compliance Officer. Our governance principles and committee charters define the risk areas for which each committee has ongoing oversight responsibility. The Board, as a whole, focuses on the most significant risks facing the company.

Key GE Aerospace business leaders also meet regularly with the Board and Audit Committee to review their strategies and operations. This may include a review of their top risks and remediation strategies.

#### Enterprise risk management framework



Legal and compliance risk



# Our commitment to compliance and integrity

GE Aerospace is committed to maintaining a world-class compliance program with the goal of operating with compliance and unyielding integrity wherever we do business. This means being honest, fair, and trustworthy in all GE Aerospace activities and relationships, and obeying applicable laws and regulations governing our business around the world.



#### The Spirit & The Letter

Supporting our culture of integrity, <u>The Spirit & The</u> Letter (S&L) is the company's Code of Conduct and is a key enabler of our commitment to high compliance and integrity standards.

The Code of Conduct consists of 19 policies that together address the key compliance and ethics risks facing the company. Each policy contains clearly defined rules that all GE Aerospace employees are required to follow.

The Code is available in 13 languages, mobile friendly, and accompanied as needed by additional guidance for employees on how to comply.

New employees receive training on S&L policies and how to apply them. This training includes a focus on open reporting, addressing issues that might potentially impact compliance and how to raise concerns about potential violations. Existing employees receive regular targeted training and communications designed to keep them knowledgeable on the policies. Salaried employees are also asked to acknowledge their understanding and their willingness to comply every year.

Third parties, including distributors, suppliers, agents, and partners, are also required to comply with relevant aspects of the Code and, as necessary, GE Aerospace will educate those third parties about the applicable rules.

#### S&L policy areas

- Acceptable Use
- Anti-Bribery/Anti-Corruption
- Anti-Money Laundering and Know
  Your Customer
- Conflicts of Interest
- Cybersecurity
- Environmental, Health, and Safety (EHS)
- Fair Competition
- Government Contracting Compliance
- Human Rights
- Insider Trading and Stock Tipping
- Intellectual Property
- International Trade Compliance
- Open Reporting/Culture
- Privacy
- Quality
- Reporting and Recordkeeping
- Respectful Workplace
- Security
- Supplier Relationships

Learn more about S&L or access versions in additional languages on the Sustainability reporting page on our website.

Other key enablers to our commitment to compliance and integrity are outlined below.

#### **Compliance Network**

Our Compliance Network comprises experienced, full- and part-time compliance professionals who are embedded within the company's business divisions and at each of our sites worldwide. These compliance professionals act as a critical resource, helping employees understand their compliance obligations, while leaders drive compliant behavior and integrity within their organizations. This happens through:

- Standard risk management practices, including the collection of employee input through the annual Safety and Compliance survey
- Recurring compliance sessions where compliance data and risks are examined and actioned by our leaders
- Daily site stand-ups where compliance learnings are shared and discussed with our shop-floor employees
- Monthly employee communications addressing important compliance topics



Open Reporting program is critical to our ability to detect and manage compliance risk.

#### **Open Reporting program**

Employees serve as the first line of defense in the early detection of potential compliance concerns. Through our Open Reporting program, employees are obligated to promptly report any concerns they have about compliance with applicable laws or the company's Code of Conduct, which they can do anonymously if preferred. Once a concern is raised, a rigorous process is followed to investigate it and, if confirmed, appropriate remedial action is taken.

This approach to identifying and addressing compliance concerns allows the company to continuously improve the

processes, practices, and culture that are designed to drive compliance and integrity. GE Aerospace has a focus on open reporting, with 1,245 policy concerns raised in 2024, resulting in 1,140 corrective actions.

The company continually monitors the health of the Open Reporting program through the use of various metrics and key performance indicators (KPIs), including case volume, confirmation rate, anonymity rate, and the average number of days it takes to investigate and close a concern. The integrity of the Open Reporting program is critical to our ability to detect and manage compliance risk and, as such, GE Aerospace strictly prohibits retaliation for raising a concern or for participating in a compliance investigation.

#### **Risk Focal program**

For the company's key compliance risks, it designates a Risk Focal who is responsible for actively managing the risk associated with the policy, in close partnership with relevant business leaders and the company's central compliance team. This risk management responsibility includes understanding how the risk is manifesting itself within the company and ensuring that the risk is adequately controlled across the enterprise, including at our sites.

The company's central compliance team actively supports the Risk Focal program, including through the development and delivery of structured risk management training to Risk Focals designed to continuously improve their risk management capabilities. The central compliance team also provides governance and oversight of the Risk Focals, regularly evaluating and advising on strength of risk controls, risk control improvement plans, and risk control monitoring and testing practices.

#### Compliance risk assessment

The company's annual compliance risk assessment process provides a structured opportunity to evaluate and consistently improve our compliance program. This assessment is facilitated by the company's central compliance team and includes inputs from across the organization, including from Risk Focals, key partners and stakeholders, and senior business leaders. Employees also provide compliance insights through the annual Safety and Compliance survey.

The compliance risk assessment is a key tool that enables us to identify the company's top compliance risks, which can then be prioritized for remedial action. Ultimately, the results of the risk assessment and applicable remediation plans are shared with the company's senior leaders and with the Audit Committee of the Board of Directors. " The Spirit & The Letter serves as our compass for ethical conduct, reflecting our core values and supporting our long-standing tradition of unyielding integrity. These guiding principles and policies set forth our expectations of all employees and lay the foundation for sound decision-making, ensuring that we act in a compliant manner that is consistent with our Code of Conduct. By adopting these policies and behaviors, we create an environment where everyone can thrive and deliver the very best of GE Aerospace to our customers and partners."

Melissa Kelly Vice President & Chief Compliance Officer, GE Aerospace



Governance

# Data privacy and cybersecurity

GE Aerospace takes steps to protect the information we hold about our employees, customers, and suppliers, the proprietary data we have about our designs and products, and the technology resources we provide to our employees and contractors. The measures we take reflect our goal of protecting our employees, serving our customers, and preserving shareholder value.

In our defense-in-depth approach, multiple layers of security controls are placed throughout our systems, and a security-by-design approach is designed to build security into our products. Both help enable us to proactively respond to a dynamic cyber-threat landscape.

#### **GE** Aerospace's cybersecurity framework

The security of our information, systems, products, and network is, and always will be, an important priority. GE Aerospace's cybersecurity controls framework is informed in part by the National Institute of Standards and Technology (NIST) Cybersecurity Framework and International Organization for Standardization (ISO) 27001 Framework. Each cyber function—govern, identify, protect, detect, respond, and recover-is managed by defined governance, risk assessment, control implementation, and control effectiveness monitoring and metrics.

Our layered defense approach to security combines multiple mitigating security controls to help protect our resources and information, and help improve our cyber resiliency. Our central cybersecurity framework reaches our shared services operations and business units to optimize our protection based on industry-specific requirements.

We devote substantial resources to maintain an information technology (IT) infrastructure that implements physical, administrative, and technical controls designed to protect information stored on our networks, including customer, personal, and proprietary information. We strive to apply enhanced controls to information that we believe could result in a significant harm to our business if lost or misused.

In addition, we have committed resources and implemented processes to help prevent, detect, and respond to cyber threats. Our cyber incident coordination team exercises. tests, and continually improves our cyber incident coordination plan through tabletops and simulations. Working with legal, communications, privacy, and compliance teams, the cyber team also addresses security concerns or incidents that could present an enterprise risk, including third-party supplier incidents.

GE Aerospace's approach to product cybersecurity includes lifecycle management, vulnerability management, customer notifications, incident response, issuing security bulletins and advisories, and channels for receiving and responding to vulnerability reports. We have also implemented secure development lifecycle design practices to help protect our software designs and connected products.

#### Protecting our digital ecosystem

The increasing degree of interconnectedness among companies and their affiliates, partners, suppliers, and customers underscores the need for companies to evaluate cybersecurity threats not only to their own internal networks, but also to the larger ecosystem in which they operate.

We understand that protecting the confidentiality, integrity, and availability of information extends to business partners that are afforded access to such information. We contractually require our suppliers to secure and maintain their IT systems and protect our information on their systems, and perform security assessments on certain suppliers based on a risk assessment and rating process. Higher-risk suppliers may be subject to on-site assessments and more frequent reassessments, for which we use a tool to capture information on how their procedures have been improved.

To help our employees safeguard GE Aerospace's information and systems, our Business Information Security Officers amplify key messages to relevant colleagues. We provide security awareness training to help our employees understand their information protection and cybersecurity responsibilities. We also provide additional role-based training to some employees based on customer requirements, regulatory obligations, and industry risks.

Recognizing that technology and the nature of its threats and risks are changing, we will continue to evolve our approach. Collaboration is important for effective cybersecurity solutions-bringing together the best minds and the best ideas—and we continuously seek to engage with regulators, customers, suppliers, employees, and industry colleagues to improve cybersecurity. We also engage in public-private partnerships, such as information sharing and analysis centers, to share actionable cyber threat indicators. These activities have resulted in improved capabilities that are guicker and more effective in responding to dynamic threats.





#### Cybersecurity governance and leadership

At GE Aerospace, our approach to cybersecurity reflects our spirit of continuous improvement. Our Chief Information Security Officer (CISO) is responsible for developing and maintaining an information security program that enables business leaders to make risk decisions while protecting the business from security threats and risks. This program is designed to protect GE Aerospace's products and information resources, and the information contained therein, including the employee, customer, and supplier information stored in our systems. The CISO analyzes cybersecurity and resiliency risks; considers industry trends; implements controls to mitigate these risks; and enables business leaders to make risk-based decisions. As part of its oversight role, the Audit Committee of our Board of Directors reviews GE Aerospace's practices and programs related to cybersecurity periodically throughout the year. The Committee is updated regularly on cyber threats and risk management strategy, while the CISO meets other senior leadership to review and discuss the company's cybersecurity program, including emerging cyber risks, threats, and industry trends.

In addition, GE Aerospace periodically engages third-party cybersecurity companies to assess our cybersecurity program for maturity, effectiveness, and consistency with prevailing industry standards.

#### Our privacy program

GE Aerospace employs privacy practices based upon our Privacy Enterprise Standard, which is designed to support our compliance with our privacy commitment and applicable internal policies and regulations.

Our privacy program is led by our Chief Privacy Officer and supported by a dedicated privacy office. The privacy program includes education and awareness, incident response protocols, a privacy-by-design approach and privacy impact assessments. The program also includes technical and organizational information security measures designed to protect personal information. In addition, we contractually require suppliers that process personal information under a contract with GE Aerospace to do so in a manner consistent with our privacy program, our policies, and applicable regulatory requirements.

#### **GE** Aerospace's privacy commitment

GE Aerospace's Commitment to the Protection of Personal Information outlines the standards that are applicable to the processing of personal information. Our privacy policies strive to:

- Process personal information fairly and lawfully, informing customers, employees, and suppliers in a timely manner
- Limit the processing of personal information to the fulfillment of GE Aerospace's specific, legitimate purposes
- Limit the processing of personal information to that which is adequate, relevant, and not excessive
- Take reasonable steps to help ensure personal information is accurate and retained only for as long as necessary for the purposes for which it is collected
- Make privacy practices clear to individuals
- Provide for the exercise of individual rights in relation to personal information processed by GE Aerospace
- Establish the necessary basis for lawful cross-border transfers within the company

#### **Trust-e certification**

We are third-party certified by an accountability agent, Trust-e, in the Asia-Pacific Economic Cooperation (APEC). Our certification includes Cross-Border Privacy Rules (CBPR) and Privacy Recognition for Processors (PRP) to reinforce the global scope of our privacy program and to extend our commitment to privacy worldwide.

# Artificial intelligence

Technology



Our Fuel Insights App uses AI to gain deeper insights that help airlines improve their fuel consumption

When applied responsibly, artificial intelligence (AI) has the potential to help the aerospace industry become safer, enhance quality, and improve operational excellence.

We apply a lean mindset to identify the best opportunities for improvement and then aim to design the right digital solutions, using AI, to deliver the desired business outcomes. We have been actively using AI for nearly a decade.

#### **Our guiding principles**

People

As we evaluate, develop, and explore new applications of Al, we take steps to follow three guiding principles:

The data training the models must be trusted.

The model must be transparent and produce repeatable results.

There must always be a human in the loop.

We use AI and machine learning to monitor our commercial engines around the clock, enhancing predictive maintenance. Over the past decade, this has improved detection rates by 45%, halved false alerts, and identified maintenance needs 60% earlier. We are also using an Al-enabled Blade Inspection Tool (BIT) to help our technicians conduct faster, more accurate inspections.

" Through our AI board, we are strategically coordinating AI developments and deployments in clear, consistent, and responsible ways that always prioritize safety first. We take our responsibility very seriously and never stop trying to make our company and industry better by seeking and sharing best practices among our peers."

David Burns Chief Information Officer. **GE** Aerospace



#### **GE** Aerospace joins AI Safety Consortium

In a move designed to further strengthen our focus on AI safety, GE Aerospace has joined the new Al Safety Institute Consortium (AISIC). Created in 2024 by NIST, this group of more than 280 organizations aims to develop science-based guidelines and policies that promote the safe and responsible use of Al.

Our participation in AISIC aligns with our support for safe and ethical advancement of Al in aerospace applications. Our Al board, which is made up of a cross-functional management team, meets every two weeks and provides feedback to AISIC. We will also contribute to a joint task force studying AI model misuse and associated risks.

By participating in this consortium, we aim to contribute to—and learn from—industry-wide best practices, striving for AI advancements in aviation that continue to prioritize safety and reliability.

# Political engagement and policy development

Engagement with governments and trade associations is an important part of shaping the regulations and legislation that govern our business and our industry.

#### Board oversight of public policy and advocacy

The Governance Committee, composed solely of independent directors, oversees the company's political spending and advocacy activities, and external reporting on such activities. This includes political and campaign contributions, as well as any contributions to trade associations and similar organizations that may engage in political activity. The Governance Committee is responsible for:

- **Policy oversight:** Reviewing legislative, regulatory, and public policy matters that could be significant to the company
- Public policy and government relations activities: Overseeing public policy and government relations activities, including annually reviewing the company's political and campaign contributions, advocacy activities, and other political spending

GE Aerospace discloses the names of all U.S. trade associations receiving more than \$50,000 from the company.

In 2024, GE Aerospace did not contribute any corporate funds to political campaigns, committees, or candidates for public office.

#### Policy engagement

Advancing policy development will require continued partnerships across governments, business, and civil society. With a more than 100-year history of working with our customers and other stakeholders, we continue to engage in the public domain and advance thought leadership and research on product safety in the aviation industry, as well as the development of more efficient technologies that will shape the future of flight.

The International Civil Aviation Organization (ICAO) provides a global framework to help ensure the safety of the commercial aviation industry, including environmental targets. We support ICAO's work, including fuel-efficiency standards for aircraft and its Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). We also promote research into technology and materials to improve fuel efficiency and reduce emissions, such as those in development through the CFM RISE program and with more efficient flight planning.



GE Aerospace engages with trade associations on a range of policy topics.

#### Advocacy through trade associations

As a major global company, GE Aerospace belongs to many industry associations, through which we engage in advocacy on a range of policy topics, including product safety, workforce development, and advancing more energy-efficient aviation technology.

We regularly meet with our major trade associations to review policy priorities and aim to be a force for positive action toward helping the global aviation industry meet its goals of putting safety first, decarbonizing, and connecting global economies.

Where there is divergence of views on policies and approaches, we strive for constructive engagement, initially reaching out to seek alignment. However, we may consider terminating our membership or withdrawing financial support if the misalignment outweighs the benefits of membership.



