



---

# The Management Development and Compensation Committee Charter



## The Management Development and Compensation Committee Charter

### CHARTER

The Management Development and Compensation Committee of the board of directors of General Electric Company shall consist of a minimum of three directors. Members of the committee shall be appointed by the board of directors upon the recommendation of the Nominating and Corporate Governance Committee and may be removed by the board of directors in its discretion. All members of the committee shall be independent directors, and shall satisfy GE's independence guidelines for members of the Management Development and Compensation Committee.

The purpose of the committee shall be to carry out the board of directors' overall responsibility relating to organizational strength and executive compensation.

In furtherance of this purpose, the committee shall have the following authority and responsibilities:

1. To assist the board in developing and evaluating potential candidates for executive positions, including the chief executive officer, and to oversee the development of executive succession plans.
2. To review and approve on an annual basis the corporate goals and objectives with respect to compensation for the chief executive officer. The committee shall evaluate at least once a year the chief executive officer's performance in light of these established goals and objectives and based upon these evaluations shall set the chief executive officer's annual compensation, including salary, bonus and equity and non-equity incentive compensation.
3. To review and approve on an annual basis the evaluation process and compensation structure for the Company's officers. The committee shall evaluate the performance of the Company's senior executive officers and shall approve the annual compensation, including salary, bonus and equity and non-equity incentive compensation, for such senior executive officers, based on initial recommendations from the CEO. The committee shall also provide oversight of management's decisions concerning the performance and compensation of other Company officers.
4. To review the Company's equity incentive compensation and other stock-based plans and recommend changes in such plans to the board as needed. The committee shall have and shall exercise all the authority of the board of directors with respect to the administration of such plans
5. To review incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk taking and to review and discuss, at least annually, the relationship between risk management policies and practices, corporate strategy and senior executive compensation.
6. To maintain regular contact with the leadership of the Company. This should include interaction with the Company's leadership development institute, review of data from the employee survey and regular review of the results of the annual leadership evaluation process.
7. To review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) and to recommend to the board that the CD&A be included in the Company's annual report and proxy statement. As part of this review, the committee shall consider the results of the most recent shareholder advisory vote on executive compensation as required by section 14A of the Securities Exchange Act of 1934.



The committee shall have the authority to delegate any of its responsibilities to subcommittees as the committee may deem appropriate in its sole discretion.

The committee shall have authority and necessary funding to retain such compensation consultants, outside counsel and other advisors as the committee may deem appropriate in its sole discretion after considering all factors relevant to the advisor's independence, including the factors specified by applicable NYSE listing standards. The committee shall have sole authority to approve related fees and retention terms and oversee the work of the advisor. The committee and the Company have adopted a policy that any compensation consultant used by the committee to advise on executive compensation will not at the same time advise the Company on any human resource matter.

The committee shall report its actions and any recommendations to the board after each committee meeting and shall conduct and present to the board an annual performance evaluation of the committee. The committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the board for approval.