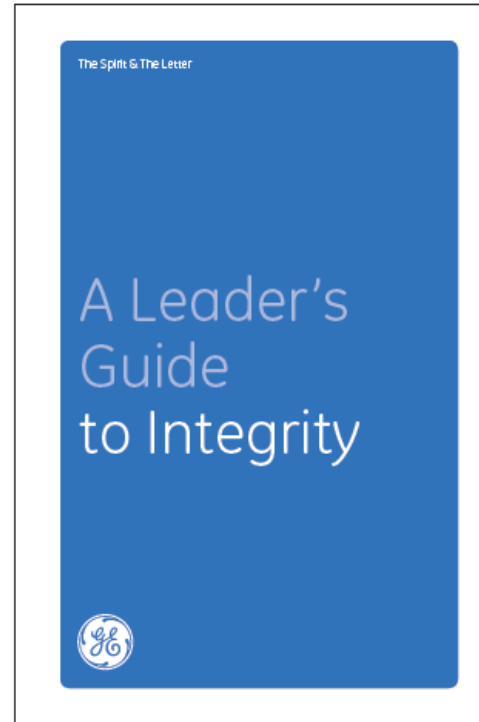


The Value of Competition Law Compliance Programs @



Hendrik Bourgeois
Vice President European Affairs
GE

GCLC Lunch Talk – May 2013

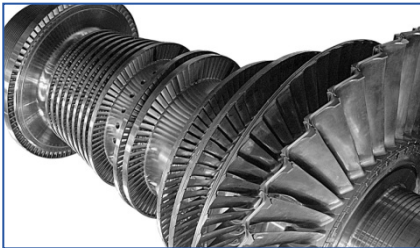
Size and Complexity Matter

GE business units

Energy Management
5% / \$7.4 B



Oil & Gas
10% / \$15.2 B



Power & Water
19% / \$28.3 B



Healthcare
12% / \$18.3 B



Aviation
14% / \$20.0 B



Transportation
4% / \$5.6 B



Capital
31% / \$46.0 B



Home & Business Solutions
5% / \$8.0 B



~\$147.4 Billion
Revenue in
2012
\$16.1 B Operating Earnings

GE around the world



2012 revenues total \$147.4 billion with about 304,000 employees.

¹ Includes U.S. exports to external customers

² Includes \$~5B from “Other Global” areas

GE' s Compliance Program

GE has a strong track record....but no compliance program can totally exclude the possibility of infringements

GE Compliance Program Processes

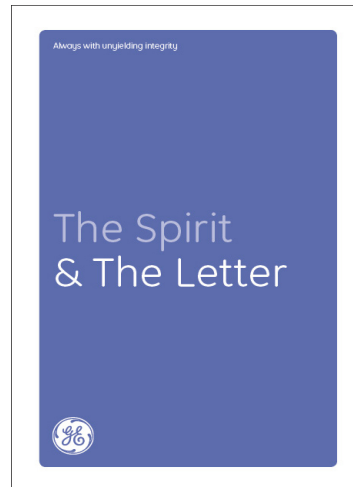


Compliance Programs -- Definitions

The

Compliance

- Doing “Things Right”
- Rules
- Knowledge
- Training
- Discipline



The

Ethics

- Doing the “Right Thing”
- Values
- Beliefs
- Learning
- Choices

Compliance
Programs Prevent
Competition Law
Infringements

Compliance Programs Prevent Competition Law Infringements

- ✓ **Necessary tool to create a “Culture”**
- ✓ **Reliable Proxy – Normative Message**
- ✓ **Fines are important but Repression alone is not sufficient**
 - Dispersed Responsibility
 - Clear & Present Danger (internal v. external pressure)
 - Early Detection of Risk
- ✓ **Reduction of Fines (not Immunity) to Increase Incentives**
- ✓ **Are Antitrust Infringements “Special”?**
 - Often conducts takes place without company leadership being aware

...other points...

- ✓ **Distinguishing compliance programs from shams**
- ✓ **Aligned Incentives**
- ✓ **Reduced Fines does not always Reduce Prevention – Anticorruption (US Foreign Corrupt Practices Act / UK Bribery Act / Decreto Legge no. 231/2001 (Italy))**