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April 28, 2023

B4Ukraine Coalition

RE: General Electric Company's business operations in Russia

The B4Ukraine Coalition:

I write you in response to your message addressed to General Electric's (GE) CEO, Larry Culp, regarding GE's business operations in Russia.

We have suspended operations in Russia, with the exception of supporting existing power services to the people in the region. Like many other companies, we believe providing access to electricity is a basic right that we continue to provide while suspending our other operations. Aligned with the OECD Guidelines and the UN Guiding Principles, GE evaluates its business transactions to avoid causing or contributing to adverse human rights impacts.

We continue working closely with our Ukrainian customers to keep the power running there, providing equipment and software for their utilities and servicing existing wind farms, whenever it is safe to do so. We also recently partnered with USAID on the shipment of a GE TM2500 aeroderivative gas turbine to Ukraine, and over the past year GE has donated more than \$6 million to Ukraine through the GE Foundation, including primarily medical donations, as well as employee donations and the GE Foundation matching gift program.

We comply fully with all sanctions and other restrictions on business activities in Russia, Belarus, and Ukrainian regions subject to sanctions. When necessary and when in compliance with GE policies regarding activities in Russia and other relevant regions, GE obtains relevant government authorizations. And to our knowledge, there are no known recent, pending, or potential nationalization of GE assets, nor are there known recent, pending, or potential nationalization of GE patents, trademarks, or other intellectual property, in the relevant regions.

GE has a sincere commitment to integrity throughout our global organization, with a particular focus on respect for human rights. Our [Human Rights Statement of Principles](#)—which GE was among the first American companies to issue—is the cornerstone of our global program, and our code of conduct, [The Spirit and The Letter](#), addresses the full spectrum of integrity and compliance issues across GE's global value chain. As you noted in your letter, our extensive human rights program is detailed in our [Human Rights Report](#).

GE also has a comprehensive integrity program with all business partners that heavily weighs in during our considerations on business transactions, and which involves enhanced due diligence on our business partners including research conducted on corruption, money laundering, and an array of sustainability issues such as human rights. We also engage actively with external stakeholders to identify human rights risks throughout our value chain and to collaborate with peers, experts, and civil society groups to seek practical solutions.

We are a founding member of the Global Business Initiative on Human Rights, a cross-industry peer learning platform; a signatory to, and active member in, the UN Global Compact Human Rights and Business Dilemmas Forum; and a member of the Leadership Group for Responsible Recruitment. I invite you to learn more about our focus on sustainability at <https://www.ge.com/sustainability>.

GE is committed to tackling the world's biggest challenges in leading the energy transition to provide and generate one-third of the world's electricity to communities and developing the future of flight to improve fuel efficiency to transport people and resources around the world earlier, better, and faster. We will continue to do business across the world in line with our strong adherence to compliance and the rule of law.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tran Che', with a stylized, cursive script.

Tran Che

Global Human Rights Counsel

On behalf of the General Electric Company

H. Lawrence Culp Jr.
Chairman and Chief Executive Officer
General Electric Company
5 Necco Street
Boston, MA 02210
United States of America

RE: General Electric Company's business operations in Russia

March 24, 2023

Dear Mr. H. Lawrence Culp Jr.,

We write to you as [B4Ukraine](#), a coalition of Ukrainian and international civil society organizations working to curtail the financial resources enabling the Russian invasion of Ukraine. We expect companies to demonstrate opposition to Russia's war of aggression, public support for the people, democracy, and territorial integrity of Ukraine, and alignment with the UN Guiding Principles on Business and Human Rights (UNGPs). At stake is not only the sovereignty and territorial integrity of a democratic Ukraine, but also the continuity of the rules-based international order and the prosperity of the global economy.

We request an urgent dialogue regarding potential inconsistencies between General Electric Company's (GE's) stated policies on human rights and the company's ongoing business operations and relationships in Russia that may contribute to, or be linked with, human rights harms.

We acknowledge that GE has policies in place to guide the company toward ethical behaviour. The GE Human rights statement of principles clearly indicates the company's commitment to human rights.¹ According to the company:

"Respect for human rights is the heart of GE's culture of integrity. Our commitment is grounded in 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."²

GE's respect for human rights is further emphasised in the company's Human Rights Report, where GE's CEO states that:

"Respecting human rights around the world has long been a part of our culture of unyielding integrity and is embedded in our environmental, social, and governance priorities."³

¹ GE, "Human rights statement of principles," https://www.ge.com/sites/default/files/human_rights_statement_of_principles.pdf (accessed March 24, 2023).

² Ibid.

³ GE, "2021 Human Rights Report," <https://www.ge.com/sites/default/files/2021-human-rights-report.pdf> (accessed March 24, 2023).

In 2008, GE became a signatory to the United Nations Global Compact and its 10 fundamental values related to Human Rights, labour standards, the environment, and the fight against corruption.⁴

It has been over one year since Russia invaded Ukraine and the devastating impacts continue to shock the global conscience and shake the global economy. Russia is violating international humanitarian law (IHL), including war crimes and crimes against humanity, through attacks on civilians and civilian infrastructure (e.g., mass executions, sexual violence, torture, and forcible transfer of civilians). More than 22,000 Ukrainian civilians have been killed and injured and millions more have been forced to flee their homes, creating one of the largest humanitarian and refugee crises of modern times.

On September 21, President Vladimir Putin escalated the war by announcing a “partial mobilisation” of the Russian population. The accompanying legislation ([Article 9 of Federal Law No. 31-FZ](#)) mandates all organisations, including the 1,500 international companies that are currently operating on a full or limited scale in Russia, to conduct military registration of the staff if at least one of the employees is eligible for military service.⁵ They must also assist with delivering the military summons to their employees, ensure the delivery of equipment to assembly points or military units, and provide information, buildings, communications, land plots, transport, and other material means of support to the war effort.

A new decree issued by President Vladimir Putin on March 3, 2023, enables the Russian government to suspend shareholders' rights and implement external management in companies that don't fulfil state defence contracts under conditions of martial law. By specifying the process of appointing Russian government representatives to manage businesses that fail to meet state orders, the latest Decree effectively creates a scenario of "partial nationalization."⁶

This legislation entails new and significant legal risks for companies remaining in Russia, including potential civil and criminal liability under comprehensive sanctions regimes and recent international jurisprudence holding corporations and their officers responsible for human rights abuses abroad.⁷

⁴ United Nations Global Compact, “General Electric Company,” <https://unglobalcompact.org/what-is-gc/participants/4253-General-Electric-Company> (accessed March 24, 2023).

⁵ Federal Law No. 31-FZ of February 26, 1997 "On mobilization training and mobilization in the Russian Federation" (as amended), <https://base.garant.ru/136945/> (accessed January 2, 2022).

⁶ B4Ukraine, “New Kremlin regulation raises risks for the 1600 international companies left in Russia,” March 7, 2023, <https://b4ukraine.org/whats-new/new-kremlin-regulations> (accessed March 13, 2023).

⁷ International companies remaining in Russia are now at a greater risk of violating sanctions regimes as implementation of the legislation will likely involve transacting with sanctioned individuals or entities. Furthermore, new domestic civil and criminal cases against companies involved in violations of international law demonstrate the risk of significant liability for facilitating state-sponsored human rights abuses abroad (e.g., Lafarge case, Lundin case, Castel Group indictment, Nevsun holding, and Dassault Aviation, Thales, and MBDA France criminal complaint.) Victoria Riello and Larissa Furtwengler, “Corporate Criminal Liability for International Crimes: France and Sweden Are Poised To Take Historic Steps Forward,” September 6, 2021, <https://www.justsecurity.org/78097/corporate-criminal-liability-for-human-rights-violations-france-and-sweden-are-poised-to-take-historic-steps-forward/> (accessed January 2, 2022); The Sentry, “Breaking: France Opens War Crimes Inquiry Focused on Iconic Food and Beverage Conglomerate,” July 1, 2022, <https://thesentry.org/2022/07/01/7216/breaking-france-opens-war-crimes-inquiry-focused-iconic-food-beverage-conglomerate/> (accessed January 2, 2022); Rfi, “French technology firm charged over Libya cyber-spying,” July 2, 2022, <https://www.rfi.fr/en/business-and-tech/20210701-french-tech-firm-charged-over-libya-cyber-spying> (accessed January 2, 2022); Preston Lim, “Canadian Supreme Court Allows Corporate Liability for International Law Violations,” Lawfare, March 12, 2022, <https://www.lawfareblog.com/canadian-supreme-court-allows-corporate-liability-international-law-violations> (accessed January 2, 2022); Sherpa, “Aiding and abetting war crimes in Yemen: Criminal complaint submitted against French arms companies,” June 2, 2022,

Companies may also be exposed to financially material risks through operational restrictions, such as limitations of future government contracts.⁸

In response to this unprovoked and unjustified war⁹ many companies have left Russia. According to the Kyiv School of Economics Institute's (KSE) #LeaveRussia [company tracker](#), GE has decided to scale back some of its Russian operations, while continuing others.¹⁰

Prior to the invasion, GE had significant business operations in Russia, including the nuclear-engineering joint venture with the Russian power company Atomenergomash, and a joint venture with the Russian company INTER RAO UES to manufacture, assemble, sell and service gas-fired power turbines.¹¹

In March 2022, GE issued a statement announcing that it is suspending its Russian operations, while continuing to provide “essential medical equipment and support existing power services to people in the region.”¹² The company contributed to the humanitarian aid efforts in Ukraine, pledging financial aid, as well as equipment to support Ukraine and neighbouring countries.¹³

However, GE has come under scrutiny for continuing some of its operations in Russia. As reported by MarketWatch, some claim that “GE is powering Russia while Russia is simultaneously destroying power stations in Ukraine.”¹⁴

We are requesting a clarification from GE on whether it intends to continue operating in the Russian market. These activities and the tax contribution to the Russian economy risk enabling and financing Russia’s violations of IHL and human rights law during the ongoing invasion and occupation of Ukraine and violating GE’s commitment to abiding by the UNGPs. It remains to be seen how directly GE will be impacted by the partial nationalisation, partial mobilisation, and the heightened legal, regulatory, operational, and financial risks associated with companies being required to provide direct support to the internationally sanctioned Russian military.

<https://www.asso-sherpa.org/aiding-and-abetting-war-crimes-in-yemen-criminal-complaint-submitted-against-french-arms-companies> (accessed January 2, 2022).

⁸ Venable LLP, “Do You Contract with State Governments? If So, Beware of Emerging State Sanctions’ Obligations Related to Russia and Belarus,” *JD Supra*, June 3, 2022, <https://www.jdsupra.com/legalnews/do-you-contract-with-state-governments-6537229/> (accessed January 2, 2022).

⁹ The UN General Assembly condemned Russia’s “aggression against Ukraine” and demanded that Moscow “unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders.”

¹⁰ KSE, Leave Russia, “General Electric (GE),” <https://leave-russia.org/general-electric> (accessed March 24, 2023).

¹¹ James Rogers, “GE suspended Russian operations after the Ukraine invasion a year ago. Here’s why it hasn’t fully departed Russia,” *MarketWatch*, February 11, 2023, <https://www.marketwatch.com/story/ge-suspended-russian-operations-almost-a-year-ago-after-the-ukraine-invasion-but-it-hasnt-fully-departed-russia-11675971315> (accessed March 24, 2023).

¹² GE, March 8, 2022, <https://twitter.com/generalelectric/status/1501259118090207234> (accessed March 24, 2023).

¹³ GE, “GE Announces \$4.5 Million to Support Ukraine and Neighboring Countries,” March 2, 2022, <https://www.ge.com/news/press-releases/ge-announces-45-million-to-support-ukraine-and-neighboring-countries-0> (accessed March 24, 2023).

¹⁴ James Rogers, “GE suspended Russian operations after the Ukraine invasion a year ago. Here’s why it hasn’t fully departed Russia,” *MarketWatch*, February 11, 2023, <https://www.marketwatch.com/story/ge-suspended-russian-operations-almost-a-year-ago-after-the-ukraine-invasion-but-it-hasnt-fully-departed-russia-11675971315> (accessed March 24, 2023).

We seek to understand how GE has conducted and continues to conduct heightened human rights due diligence and how the findings of such a process have resulted in these continued business activities and relationships. As noted by the UNGPs:

...the more severe the abuse, the more quickly the enterprise will need to see change before it takes a decision on whether it should end the relationship. In any case, for as long as the abuse continues and the enterprise remains in the relationship, it should be able to demonstrate its own ongoing efforts to mitigate the impact and be prepared to accept any consequences – reputational, financial or legal – of the continuing connection.

In consideration of the above points and B4Ukraine’s Declaration,¹⁵ we request an urgent dialogue with GE’s relevant senior management and staff to discuss the company’s ongoing activities and relationships in Russia, associated risks to the people of Ukraine and the company, and potential steps to prevent/mitigate these risks. Please contact B4Ukraine at contact@b4ukraine.org to schedule a call. We kindly ask for your response by 5:00pm CET, April 7th, 2023.

Please do not hesitate to get in touch if you require any further information.

Sincerely,

The B4Ukraine Coalition

¹⁵ B4Ukraine, “About,” <https://businessforukraine.info/about> (accessed January 2, 2022).