



# Modern Slavery



Updated August 2019

Modern slavery, and the associated trafficking of its victims, is currently one of the most challenging human rights issues both in the U.S. and abroad. Forced labor occurs when individuals work involuntarily as a result of one or more coercive measures such as debt bondage, restriction of movement, threat of harm, fraudulent recruitment, and financial inability to return home. On any given day, it is estimated that over 20 million individuals globally, the majority female, are victims of this epidemic.

There are numerous NGO, UN, and state responses to this problem, many of which call on companies to conduct appropriate due diligence in their supply chains to prevent the use of forced or child labor. One of the most recent regulatory directives—the U.K. Modern Slavery Act (MSA)—requires companies operating in the U.K. to publish a statement outlining their efforts to prevent forced labor in their operations and supply chains. GE published its first MSA statement in May 2017, providing a detailed description of our approach to this important challenge. Please see our recent 2019 MSA statement [here](#). Similarly, you can see our current California Transparency in Supply Chain Act disclosure [here](#). Additionally, GE maintains policies and procedures as required by the Federal Acquisition Regulation (FAR) 52.222-50, Combating Trafficking in Persons, and flows down those requirements to suppliers and subcontractors as required.

GE's efforts to combat forced labor start with strong policies prohibiting activities associated with this scourge, including the charging of recruitment fees, the withholding of passports, and failing to pay wages earned as a means to prevent job movement. These policies apply to GE's own operations as well as those of its business partners. With respect to its vast global supply chain, GE conducts thousands of on-site, in-person audits a year of suppliers in high risk countries to verify that their operations comply with our human rights policies. These suppliers are subject to further on-site reassessments every one to three years depending on their prior audit performance and other risk factors. Any findings from these audits are required to be remedied and closed expeditiously, typically within 60 days, see Ethical Supply Chain [here](#). GE believes that in most cases it is better to work with a supplier to correct a human rights issue and improve their workplace going forward than to simply walk away from a supplier if any finding is uncovered. Ultimately, companies need to help build a more compliant global supply chain that is well educated in, and compliant with, basic human rights.

*GE has strong policies prohibiting forced or child labor in its operations and in those of its suppliers.*

*GE conducts thousands of human rights audits of its suppliers in high risk countries annually.*

*In 2017 GE joined the Leadership Group for Responsible Recruitment to help end the charging of recruitment fees.*

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# Modern Slavery (Cont'd)

GE continuously looks to improve on its due diligence in this space. Recently, the Company developed a new pre-qualification program for its contract labor providers – requiring them to provide upfront information on worker safety and human rights before being approved to do work for GE. Also, the Company recently participated in a worker voice pilot in India where workers in communities that provide labor to local GE suppliers were provided opportunities to answer a survey regarding their recruitment and treatment via their smartphones. The responses allow GE to better pinpoint potential forced labor risk and educate its suppliers on issues being raised in their labor markets. Finally, GE published new worker accommodation standards for its contractors when they provide on-site housing for workers on GE projects. These and other examples of due diligence continuous improvement are discussed further in GE's UK MSA Statement [here](#).

