



## INVESTOR EXPECTATIONS ON HUMAN RIGHTS CRISIS IN THE XINJIANG UYGHUR AUTONOMOUS REGION

The Investor Alliance for Human Rights, the Interfaith Center on Corporate Responsibility, and investors representing more than US\$3.14 trillion in assets under management and advisement, urge companies to address businesses' complicity in the human rights crisis in the Xinjiang Uyghur Autonomous Region, or Uyghur Region.

Technology developed and sold to authorities and businesses in China by domestic<sup>1</sup> and international<sup>2</sup> companies, has enabled the mass surveillance of people in and from the Uyghur Region by Chinese authorities, to track and document their movement and activities without their consent or knowledge. This mass surveillance has also facilitated the extrajudicial detention of an estimated 1.8 million Uyghur and Turkic Muslim peoples in internment camps and prisons in the Uyghur Region in China, many of whom have been forced to work in factories in the Uyghur Region and other parts of China.<sup>3</sup> In addition, allegations of torture, religious persecution and forced sterilization have been documented.

Companies face immense reputational, legal, and economic risks as result of their business relationship with entities that engage in human rights abuses in the Uyghur Region.<sup>4</sup>

Forced labor in and from the Uyghur Region is state-sponsored, and traditional industry due diligence methods, like labor and social audits, are likely to be ineffective in uncovering the true human rights situation.<sup>5</sup> The overwhelming expert consensus is that forced labor is now so widespread that there is a risk of its presence at virtually any workplace or worksite in the Uyghur Region.<sup>6</sup> Forced labor is illegal and prohibited by international<sup>7</sup> and national<sup>8</sup> laws.

The forced labor and surveillance infrastructure in the Uyghur Region is facilitating human rights abuses including the right to be free from arbitrary or unlawful interference with privacy, religious freedom, freedom of movement, and freedom of expression,<sup>9</sup> protected and recognized under international<sup>10</sup> and national<sup>11</sup> laws. Companies that manufacture and/or sell technologies (ICT companies) used for the unlawful or arbitrary policing and the collection, provision and aggregating of data<sup>12</sup> of the people in the Uyghur Region are contributing to these human rights abuses. Further, companies who continue to do business with such ICT companies<sup>13</sup> or who respond to Chinese authorities'

<sup>1</sup> <https://www.aspi.org.au/report/mapping-chinas-tech-giants>

<sup>2</sup> <https://www.nytimes.com/2019/02/21/business/china-xinjiang-uyghur-dna-thermo-fisher.html>; <https://www.aspi.org.au/report/genomic-surveillance>;

<sup>3</sup> US Congressional-Executive Commission on China, March 2020 "Staff Research Report: Global Supply Chains, Forced Labor, and the Xinjiang Uyghur Autonomous Region"; Adrian Zenz, *Wash Brains, Cleanse Hearts: Evidence from Chinese Government Documents about the Nature and Extent of Xinjiang's Extrajudicial Internment Campaign*, *Journal of Political Risk*, Nov 2019; "Mapping Xinjiang's 'Re-Education' Camps," Australian Strategic Policy Institute, 1 November 2018

<sup>4</sup> U.S. Department of State's business advisory: [https://www.state.gov/wp-content/uploads/2020/07/Xinjiang-Supply-Chain-Business-Advisory\\_FINAL\\_For-508-508.pdf](https://www.state.gov/wp-content/uploads/2020/07/Xinjiang-Supply-Chain-Business-Advisory_FINAL_For-508-508.pdf)

<sup>5</sup> [https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/Lehr\\_ConnectingDotsXinjiang\\_interior\\_v3\\_FULL\\_WEB.pdf](https://csis-website-prod.s3.amazonaws.com/s3fs-public/publication/Lehr_ConnectingDotsXinjiang_interior_v3_FULL_WEB.pdf)

<sup>6</sup> <https://foreignpolicy.com/2019/12/11/cotton-china-uyghur-labor-xinjiang-new-slavery/>

<sup>7</sup> See Universal Declaration of Human Rights and ILO Convention 10

<sup>8</sup> see 19 U.S.C. §1307 – Tariff Act; 18 U.S. Code § 1589; see 22 U.S. Code Ch. 78 – Trafficking Victims Protection Act; UK's Foreign Prison-Made Goods Act 1897

<sup>9</sup> *Ibid.* see pp 3 to 5

<sup>10</sup> Article 12: Universal Declaration of Human Rights, Article 17: International Covenant on Civil and Political Rights, Article 9: UN Universal Declaration on the Human Genome and Human Rights, Article 16: UN Convention on the Rights of the Child

<sup>11</sup> Article 37: [Constitution of the People's Republic of China](#) provides that the personal freedom of citizens of the People's Republic of China is inviolable and that the unlawful deprivation or restriction of citizens' personal freedom by detention or other means is prohibited; and unlawful search of the person of citizens is prohibited.

<sup>12</sup> Human Rights Watch, [China: Big Data Program Targets Xinjiang's Muslims](#); Dec 8, 2020

<sup>13</sup> The U.S. Department of Commerce has blacklisted Chinese organizations implicated in abuses in the Uyghur Region that are [barred from purchasing US technology products](#), including Chinese companies that specialize in surveillance technology and artificial intelligence as well as Chinese government departments, and provincial.

ensorship requests by removing mobile apps or internet services like virtual private network services, are also complicit in these human rights abuses.

Under the UN Guiding Principles on Business and Human Rights, all companies are expected to conduct effective human rights due diligence to ensure that they are not causing, contributing or linked to human rights abuses, through their direct or indirect actions. Where human rights harms cannot be mitigated, prevented or ceased, steps need to be taken to end business relationships responsibly.

To address these human rights abuses, investors expect companies to:

- **Complete a mapping of its value chain** (upstream suppliers and downstream distributors, customers and users), in and outside of China, to identify direct and indirect business relationships that are connected to the Uyghur Region including those that use a company's products and/or services;
- **Demonstrate steps to disengage** from business relationships with suppliers connected with human rights harms in and from the Uyghur Region; and
- **Publicly disclose efforts and progress** on the above, including on how a company is working with affected rights holders in determining remedy.

In addition, because the cotton and textile value chain has been linked with Uyghur forced labor, we call on apparel companies to sign the Call to Action.<sup>14</sup> Launched by The Coalition to End Uyghur Forced Labor<sup>15</sup>, the Call to Action requires signatory companies to disengage from all business relationships that are connected to forced labor and other abuses in the Uyghur Region, as it relates to cotton and cotton-products.

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<sup>14</sup> <https://enduyghurforcedlabour.org/call-to-action/>

<sup>15</sup> <https://enduyghurforcedlabour.org/>