



INVESTOR ALLIANCE
FOR HUMAN RIGHTS

UNJUST TRANSITION: UYGHUR FORCED LABOR IN THE GLOBAL SOLAR SUPPLY CHAIN

Monday, September 27, 2021

East Turkistan – Uyghur Region



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Investors Responsibility



Institutional
Investors

Solar
Company

Module
Manufacturer

Polysilicon
Producer

Quartz -
Raw
Materials

Local
Authorities



- Enhanced HRDD needed as XUAR is a high-risk region
- Guiding Question for Corporate Engagement
- Collective Action with Civil Society Organizations, Trade Associations, Government & International Organizations

“The only viable solution is to consider the entire region to be thoroughly tainted with different forms of coercive labor.”

- Researcher Adrian Zenz



Panelists



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Nyrolä Elima

Researcher at Helena
Kennedy Centre for
International Justice



Laura Murphy

Professor of Human Rights
& Contemporary Slavery,
Helena Kennedy Centre for
International Justice,
Sheffield Hallam University



Reginald Smith

Research Analyst for
Eventide Asset
Management



Ashleigh Owens

Deputy Director,
Financial Institutions
Lead & Senior Advisor at
Shift Project

Panelists



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Nyrolä Elima

Researcher at Helena Kennedy
Centre for International Justice and
co-author of “In Broad Daylight”
Report

Forced Labour Lab

The Forced Labour Lab at the Helena Kennedy Centre is an initiative to provide an evidence base for better understanding forced labour globally



The Forced Labour Lab is a project of the Helena Kennedy Centre for International Justice that conducts research on forced labour, modern slavery, and human trafficking. Our current research focuses on the systematic forced labour of minoritized citizens in the Xinjiang Uyghur Autonomous Region of China. Our

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IN BROAD DAYLIGHT

Uyghur Forced Labour and Global Solar Supply Chains



LAURA T. MURPHY & NYROLA ELIMÄ

BACKGROUND

- There are approximately 12 million ethnic Uyghur and Kazakh citizens in Xinjiang Uyghur Autonomous Region (Uyghur Region)
- Approximately 1.8 million of them have been interned in camps spread across the region.
- Upwards of 2 million of them have been “transferred” for labor through a state-sponsored forced labour regime.
- Forced labor can occur in several ways:
 - within the internment camps
 - as a condition of “release”
 - in a “satellite factory” that is “on your doorstep”
 - as a transfer to a factory or farm within the Uyghur Region
 - as a transfer to a factory or farm outside the Uyghur Region

A) ARE THEY ENGAGING LABOUR TRANSFERS?

(劳动力转移, 富余/剩余劳动力, 军训, 国语培训)

State-sponsored Labour
Transfer Programmes

干得好的要表扬、奖励，干得不好的要批评教育甚至处分。

Labor agencies must “have organizational discipline in place and implement **militarized management** to allow people with employment difficulties **to get rid of selfishness** and distractions, **change their long-cultivated lazy, idle, slow, and inconstant behaviours of personal freedom**, to abide by corporate rules and regulations and **work discipline**, and to devote themselves to daily production. In daily life; they should **have iron discipline...**”

“Good work should be praised and rewarded, and bad work should be criticized and educated or even punished.”



Employ one person, Alleviate poverty for a household;
Labour is glorious; Getting rich is glorious;
Let's unite as one and run toward a well-off life together.

B) Are government officers or recruiters going house to house? Did they assign Uyghur or Kazakh person to a point value ?

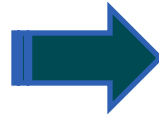
(工作队反复劝说, 改变他们的意识形态)

About doing a good job in serving the urban and rural surplus labor force in Qapqal County

Transfer employment work implementation plan

Quantitative Point System

- + Unwilling to participate in training?
- + Able to go elsewhere for employment but are not active in seeking employment?
- + Have outdated concepts or stubborn thinking?



Points determine placement in three categories

- **Controlled**: sent to training
- **General**: assigned nearest local transfer
- **Secure**: issued “Urban and Rural Surplus Labor Transfer Employment Personnel Certificate” and transferred to the interior

C) Are the company's facilities co-located with a camp?

D) What is their engagement with the Xinjiang Production and Construction Corps (XPCC)



Panelists



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Laura Murphy

Professor of Human Rights and
Contemporary Slavery, Helena Kennedy
Centre for International Justice, Sheffield
Hallam University and co-author of “In
Broad Daylight” Report

IN BROAD DAYLIGHT

Uyghur Forced Labour and Global Solar Supply Chains



LAURA T. MURPHY & NYROLA ELIMÄ

Sheffield
Hallam
University | Helena Kennedy
Centre for
International Justice



According to the ILO Forced Labour Convention of 1930, **forced or compulsory labour is:** "all work or service which is exacted from any person ***under the threat of a penalty*** and for which the person has ***not offered himself or herself voluntarily.***"

Indicators include:

- **abuse of vulnerability**
- **deception**
- **restriction of movement**
- **isolation**
- physical or sexual violence
- retention of ID
- withholding of wages
- debt bondage
- abusive working conditions
- excessive overtime

The Making of a Solar Panel



1. Raw Materials



2. Polysilicon



3. Ingots



4. Wafers

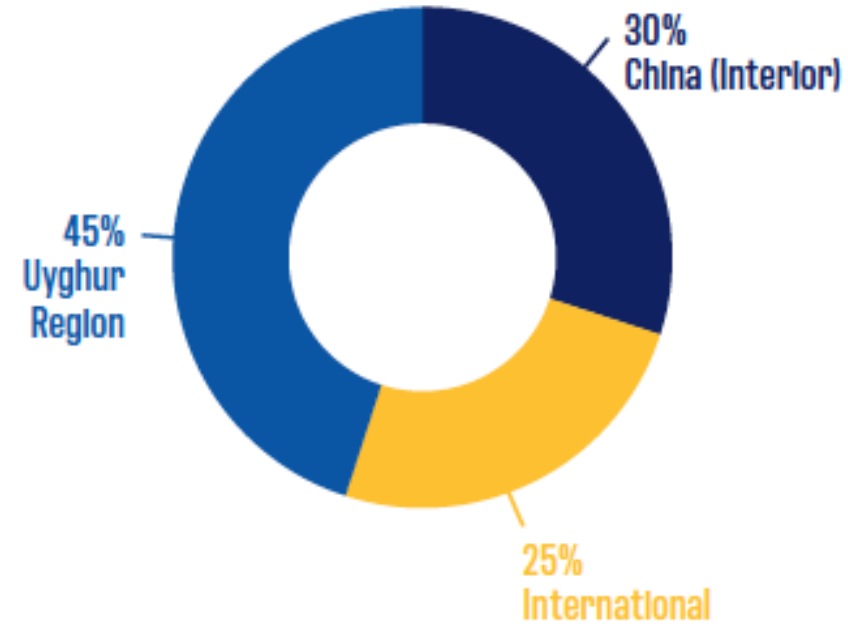


5. Cells



6. Modules

2020 Polysilicon Market Share





Raw Materials

- Hoshine
- Sokesi
- ten others



Polysilicon

- Daqo
- TBEA/Xinte
- GCL-Poly
- East Hope
- 2 others



Ingots to Modules

- JinkoSolar
- LONGi
- Trina
- JA Solar
- 6 others

HOSHINE



专注硅基新材料 创造美好生活

Concentrate on the silicon-based materials to create a wonderful life.

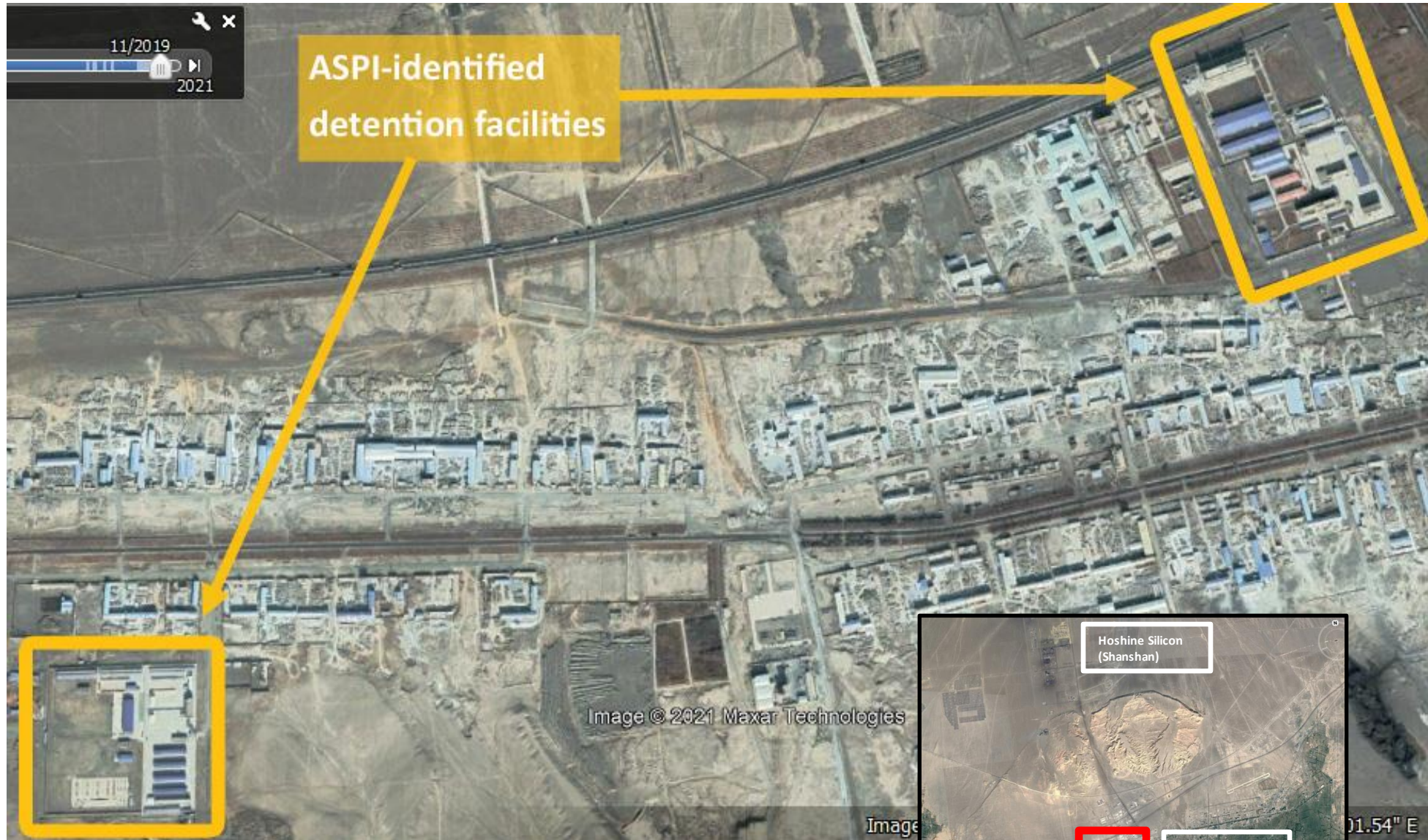
Their labour recruitment process promises “transformation of surplus rural labor into industrial workers and urban dwellers, making them become fresh combat troops for industrialization, urbanization, and agricultural modernization.”

HOSHINE



**Sheffield
Hallam
University** | Helena Kennedy
Centre for
International Justice





11/2019

Double perimeter:
fence + wall

Internal fenced
areas

Image © 2021 Maxar Technologies

Imagery Date: 11/30/2019 42°53'36.49" N 90°10'03.29" E

HOSHINE



Xinjiang Hoshine receives significant subsidies and support from the **XPCC**. In their 2019 annual report, they indicated that they had received financial incentives/investments from the XPCC in the amount of **40,140,411RMB**, and they listed an additional on-going special subsidy from the XPCC that originated in 2012 for the amount of **26,855,298RMB**. Xinjiang Hoshine also received compensation from the XPCC in 2017 and 2019 for costs incurred by the company for **vocational skills upskilling training** they provided to local laborers.



Raw Materials

- Hoshine
- Changji Jisheng New Building Materials
- Xinjiang Sokesi
- 3 others



Polysilicon

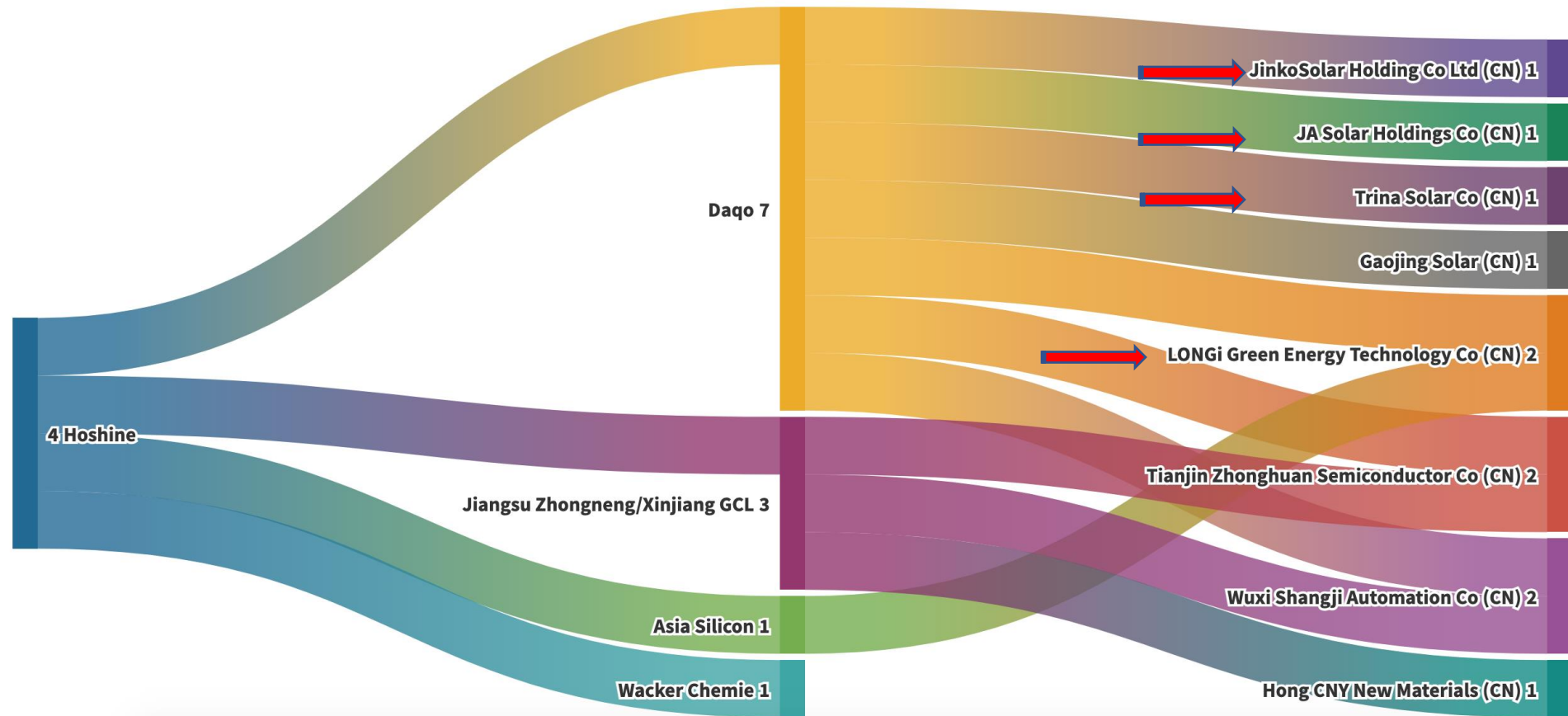
- TBEA/Xinte
- GCL-Poly
- East Hope



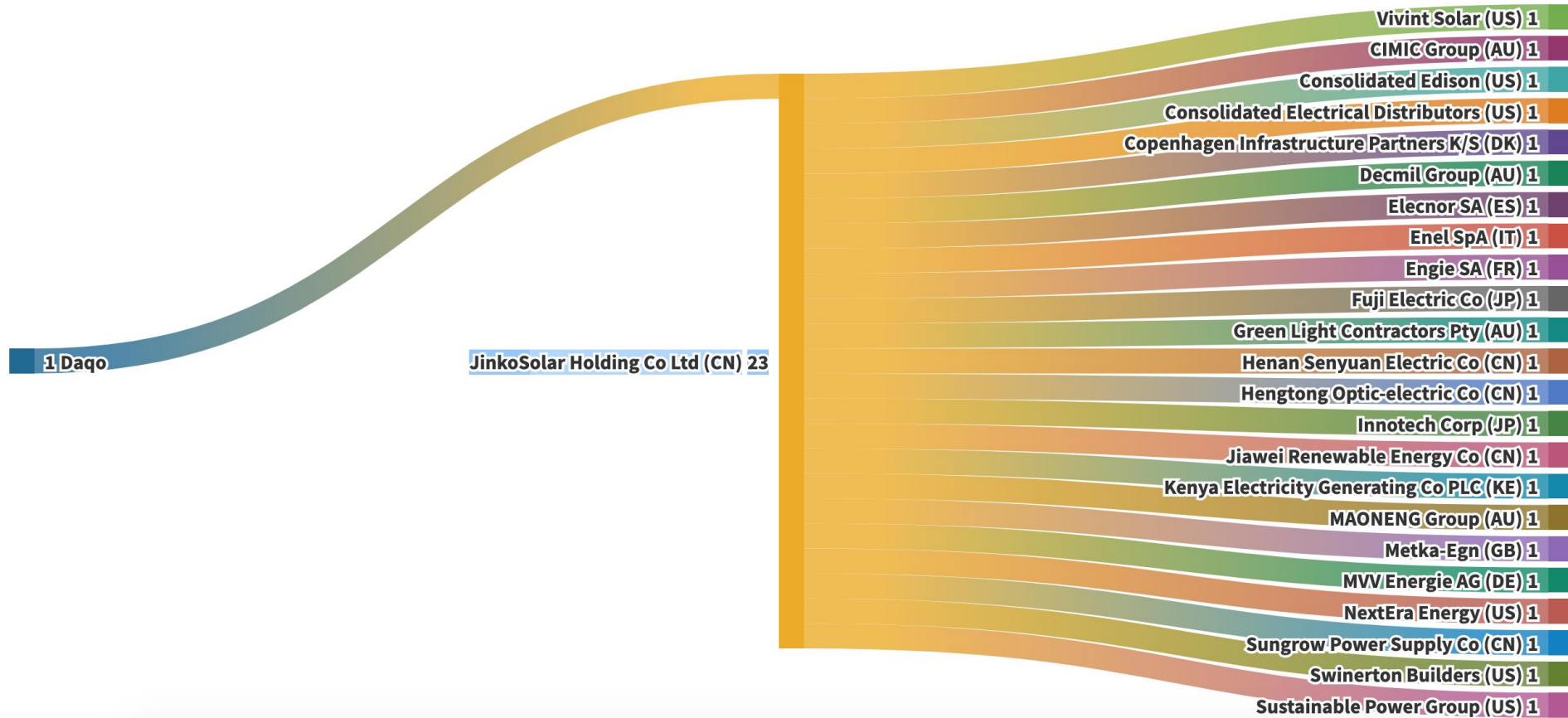
Ingots to Modules

- JinkoSolar
- Trina (possible)

HOSHINE






confirmed current contracts



2019 annual report customers


INDUSTRY RESPONSE



SOLAR SUPPLY CHAIN TRACEABILITY PROTOCOL 1.0

INDUSTRY GUIDANCE

April 2021



www.seia.org



May 19, 2021

Solar Industry Forced Labor Prevention Pledge

Last updated: May 19, 2021 at 9:00AM ET

We, the undersigned companies and organizations, state our firm opposition to the use of forced labor within the solar supply chain. We hereby commit to helping ensure that the solar supply chain is free of forced labor and raising awareness within the industry on this important issue. To assist in these efforts, we support the development of an industry-led solar supply chain traceability protocol as a tool for identifying the source of primary raw materials and inputs and tracking their incorporation into finished products, including solar modules.

Bminute Solar Energy	Black & Veatch Corporation
Acciona Energy	Blattner Energy, Inc.
Aegis Renewable Energy	Bluestem Energy Solutions
AES Clean Energy	Borrego Solar Systems
Affordable Solar	BrightNight
age inc.	Brooklyn Solarworks
AIONRISE	C2 Energy Capital
Alion Energy	CA Clean Energy LLC
Allterra Environmental, Inc.	California Solar Electric Systems, Inc.
AlsoEnergy, LLC	Candela Renewables
Alternative Energy Southeast, Inc.	Cape Fear Solar Systems, LLC
Ameresco	Capital Dynamics
American Design & Build, Ltd.	Cardno
American Ground Screw	Carolina Mountain Solar
American Microgrid Solutions	Carolina Solar Energy, LLC
Amicus Solar Cooperative	Catalyze
AMP Solar Group, Inc.	Catamount Solar
Apex Clean Energy Holdings, LLC	CED Greentech HQ
Aptos Solar Technology, LLC	Clean Energy Associates
Arctic Solar Ventures Corporation	Clean Energy USA
Artisan Electric, Inc.	Clean Power Marketing Group
Aten Solar	CleanCapital
Aurora Solar Inc	Clearway Energy Group
Avangrid Renewables	CohasBennick, LLP
Astec Solar Inc.	CollectiveSun, LLC
BayWa r.e. US	Connectgen LLC
Beltown Power Texas	Convergent Energy and Power Inc.
Best Energy Power	Core Development Group
Better Builder	Cottonwood Energy, LLC
Birdseye Renewable Energy	Cotuit Solar, LLC

Solar Energy Industries Association (SEIA) | 1425 K Street, N.W. | Suite 1000 | Washington, D.C. | 20005
Building a Strong Solar Industry to Power America | www.seia.org



May 19, 2021

Creative Energies	Idemitsu Renewables
Cubico Sustainable Investments	IGS Energy
CS Energy	Impact Power Solutions
Cypress Creek Renewables	Infinitt Energy Services LLC
D.E. Shaw & Co., L.P.	Infrastructure and Energy Alternatives, Inc.
DC Energy Innovations, Inc.	Innergex Renewable Energy
DNV GL	Inovateus Solar LLC
Dominion Energy	Intersect Power
Duke Energy	Invenery LLC
Dynamic Energy Solutions	Ipsun Solar
Eden Renewables	IronRidge, Inc.
EDF Renewable Energy	JA Solar
EDP Renewables	Jiangsu Seraphim Solar System Co., Ltd.
Encore Renewable Energy	JinkoSolar (U.S.) Inc.
Euel Green Power North America, Inc.	JM Services, LLC
ENGIE North America	Jowei, Inc.
Enphase Energy, Inc.	K2 Systems, LLC
EnPower Solutions	Kiterocket
EnterSolar	KT Black
Eolus Project Holdings, LLC	Lightsource bp
Excelsior Energy Capital	LG Electronics U.S.A.
FAYCO, Inc.	LONGI Solar Technology (U.S.) Inc.
Fire Mountain Solar LLC	Longroad Energy Holdings, LLC
Florida Solar Partners	Mayfield Renewables
Flywheel Development LLC	McCarthy Building Companies Inc.
ForeFront Power Development, LLC	McCauley Lyman
FTC Solar Inc.	Megawatt Energie AS
GCL System Integration Technology, LLC	Merkel LLC
Geoscape Solar	Mission Solar Energy
Gigawattinc.com	Morse Associates, Inc.
Green Street Power Partners, LLC	Mortenson
Greenskies Renewable Energy, LLC	muON Marketing
Greenspark Solar	Nynt Systems
GRID Alternatives	Namaste Solar
Hanwha Q CELLS America Inc.	NARENCO
Hecate Energy	National Grid Renewables
Heliolytics	Natural Power Consultants
Hexagon Energy, LLC	Nautilus Solar Energy, LLC
Idahome Solar	NEC Solar

Solar Energy Industries Association (SEIA) | 1425 K Street, N.W. | Suite 1000 | Washington, D.C. | 20005
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US GOVERNMENT RESPONSE

- Customs and Border Protection “Withhold Release Order” on Xinjiang Hoshine Silicon Industry Co.
- Commerce Dept “Entities List” Designation for
 - Hoshine Silicon Industry (Shanshan)
 - Xinjiang Daqo New Energy
 - Xinjiang East Hope Nonferrous Metals
 - Xinjiang GCL New Energy Material Technology
 - Xinjiang Production and Construction Corps
- Depart of Labor Designation of Polysilicon Made with Forced Labor in China to the “List of Goods Made with Child or Forced Labor”

U.S. solar advocates are appealing to the administration to refine its initial approach — so it still discourages human-rights abuses in Xinjiang without ensnaring imports. Hopper suggested a focus on polysilicon, not the metal from which it is formed. And some solar supporters are asking the administration to phase in future moves so companies aren't caught flat-footed, according to two people familiar with the matter.

COALITION TO END FORCED LABOUR IN THE UYGHUR REGION

- 1) end all contracts with any suppliers that own a subsidiary, facility, or mine in Xinjiang or are a subsidiary of a parent company that owns a subsidiary in the region, and
- 2) cease all relationships with companies that are being supplied in any way by companies operating in Xinjiang.

NEXT STEPS FOR INVESTMENT

- Expansion of capacity for established companies manufacturing solar supply chain inputs (REC, Wacker, OCI, etc)
- Development of new manufacturing facilities outside of China
- Innovation in non-polysilicon-based solar energy (thin film technology, emerging techn)
- Government and development investment bank green infrastructure investments

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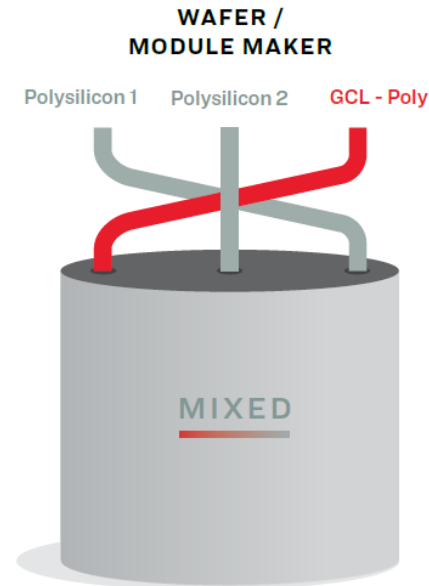
Panelists



Reginald Smith

Research Analyst at Eventide Asset
Management

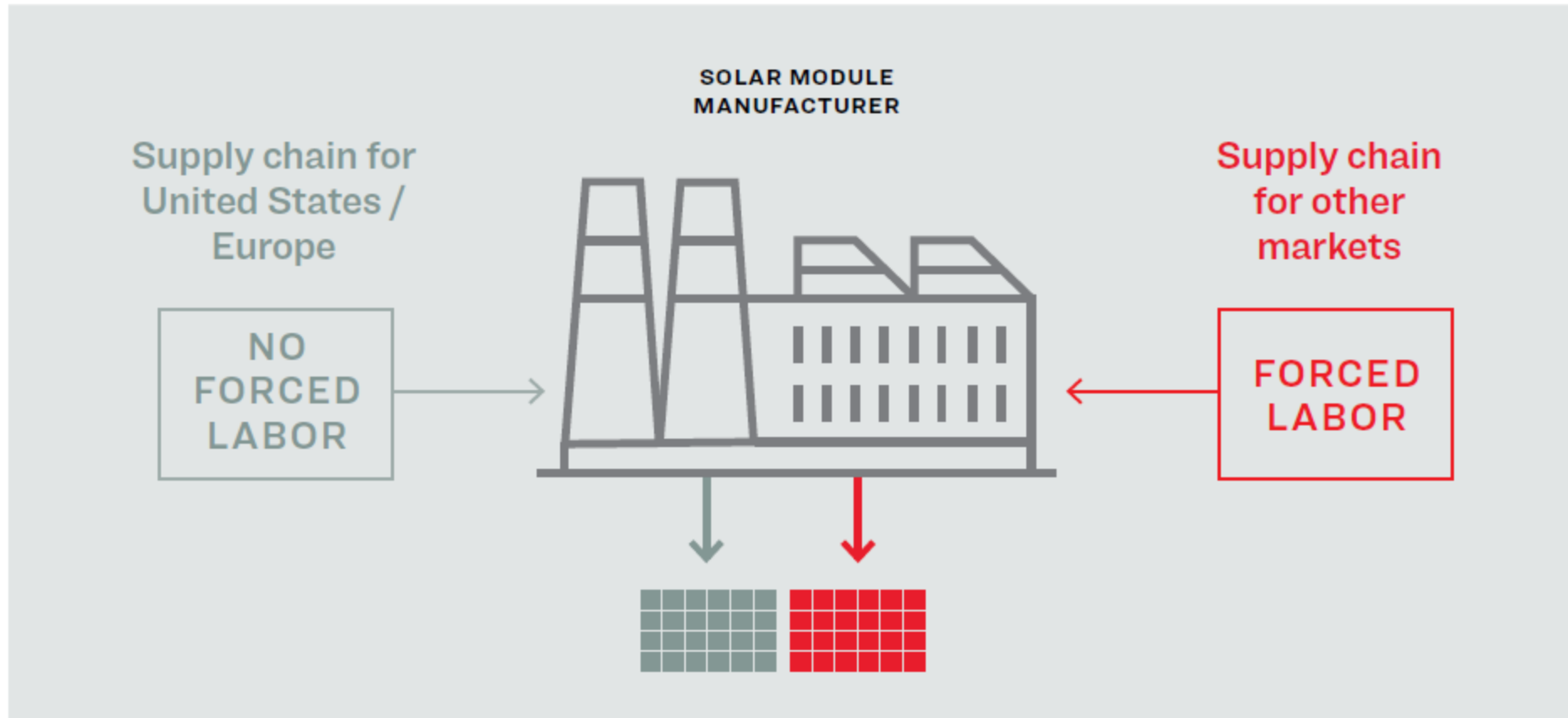
Traceability Can Prevent Mixing



↑ When ingots and wafers are made, polysilicon from many sources is mixed together. If one polysilicon company is exposed to forced labor, **all of the products** are contaminated.

This presentation expresses the views of Eventide Asset Management, LLC's personnel, and there is no guarantee that such views are accurate. The material provided herein is for informational purposes only should not be construed as a recommendation for any investment. There is no guarantee that any investment will achieve its objectives, generate positive returns, or avoid losses.

The “Bifurcated” Supply Chain



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One Long-Term Solution

Sourcing from companies that do not use forced labor – directly or in their supply chains – for any of their products is the long-term solution

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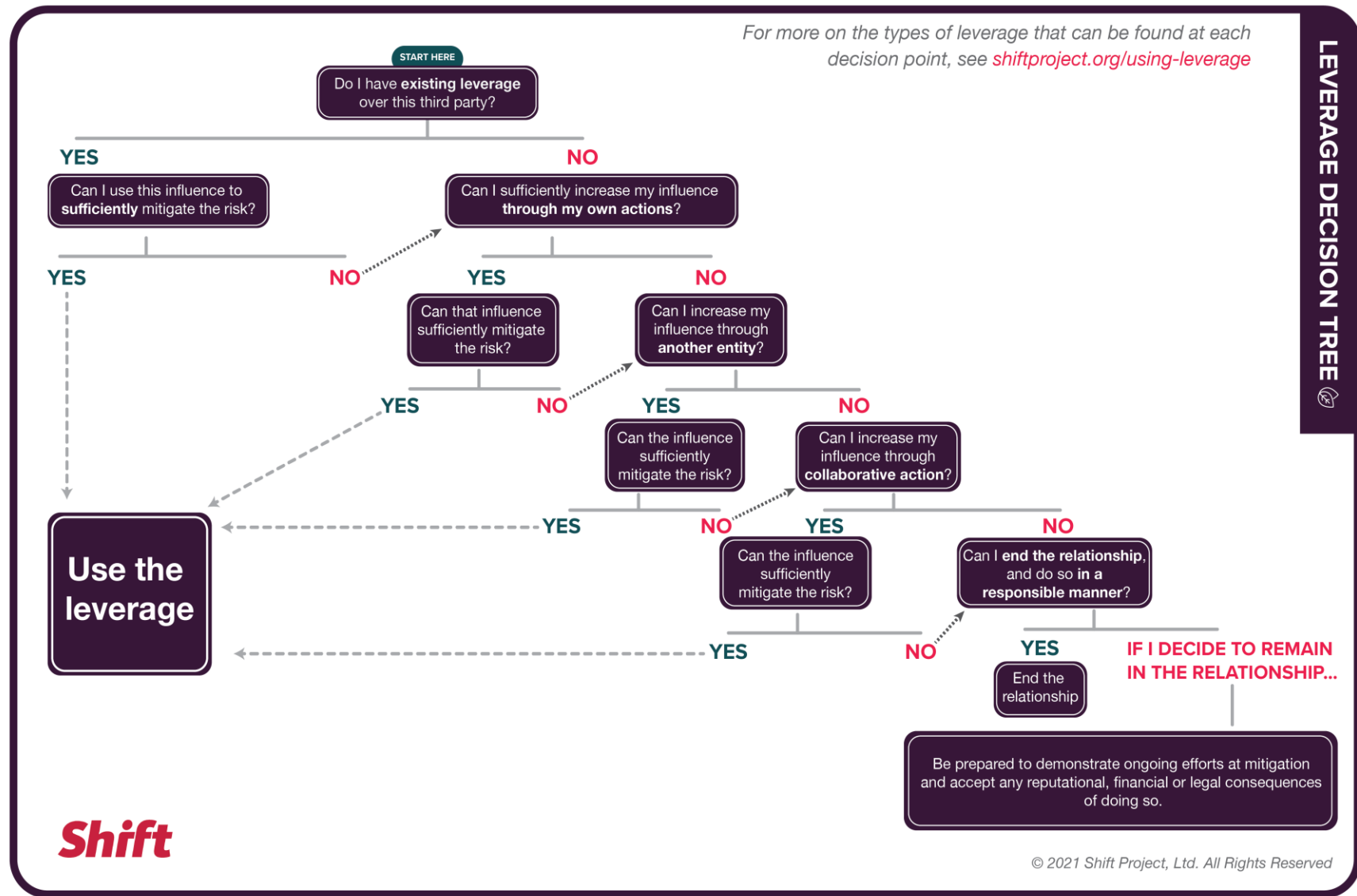
Q&A Discussion


Panelists



Ashleigh Owens

Deputy Director, Financial Institutions
Lead & Senior Advisor at Shift Project





“Business leaders and investors need to ask this question honestly: what is their place in history if they continue to profit by cooperating with a government carrying out a campaign of genocidal repression? They can’t say they didn’t know.”

- Omer Kanat, UHRP Executive Director

Investor Action Plan



- Corporate Engagement with solar sector to be launched in Oct
- Investors can endorse Call to Action on forced labor - stop sourcing raw materials and inputs from the U.S. and participation in Uyghur government labor transfer schemes - Coalition to End Uyghur Forced Labor
- Need for collective action and engagement with other stakeholders, including policy makers, at a national, regional and international level

Resources



INVESTOR ALLIANCE
FOR HUMAN RIGHTS

Background Information

- [In Broad Daylight: Uyghur Forced Labour and Global Solar Supply](#) (Sheffield Hallam University)
- [Solar Industry Forced Labor Pledge](#) (SEIA)
- [US Department of Labor Adds Polysilicon from China to the 'List of Goods Produced by Child Labor or Forced Labor'](#) (U.S. Department of Labor)
- [DHS Issues WROs on Silica-Based Products Made with Forced Labor in Xinjiang](#) (U.S. Department of Homeland Security)
- [U.S. Commerce Department adds Chinese Companies to Entities list for Human Rights Abuses](#) (U.S. Department of Commerce)

Action Plan Materials

- [Investor Action on the Human Rights Crisis in the Uyghur Region](#) (Investor Alliance for Human Rights)
- [Call to Action](#) (Coalition to End Forced Labour in the Uyghur Region)
- [Human Rights Risks in Xinjiang Uyghur Autonomous Region - Practical Guidance for Investors](#) (Investor Alliance for Human Rights)

Contact Information



Anita Dorett
Director
adorett@iccr.org

Juliet Ihediohanma
Human Rights Fellow
jihediohanma@iccr.org

Thank you!



Sign up to become a member: <https://bit.ly/2IOYDA9>

For more information, contact: adorett@iccr.org