

## Business & human rights snapshot: ICT sector

Business & Human Rights Resource Centre tracks the positive and negative impacts of over 8000 companies in 180 countries. Our global team updates our online library on a daily basis with human rights allegations, company initiatives, as well as news, trends and analysis on business impacts on human rights. When we receive a human rights allegation that a company has not yet responded to, we reach out to its headquarters for an opportunity to respond.

The information and communication technology (ICT) sector has come under intense scrutiny for its policies and practices on human rights in recent years including around alleged collusion with repressive regimes, concerns about freedom of expression, the right to privacy and manipulative use of private user data on social

media platforms, as well as labour rights in supply chains both at the manufacturing and raw material sourcing level. The changing nature of the sector considering the development of new software and technology, the increasing use of digital products, and the threat of authoritarian government intervention, makes it essential for ICT companies to continuously reflect these factors and strengthen their approach to human rights.

This brief provides a snapshot of human rights in the ICT sector based on data collected by the Resource Centre. It provides an overview of company responses to human rights allegations, case studies of alleged abuses, company action, and guidance materials to improve human rights due diligence in the ICT sector.



### What abuses were alleged?

Between February 2014 and September 2018 (follow-up from [last briefing](#)), the Resource Centre approached 68 ICT companies to respond to allegations of human rights abuse. Some companies were approached more than once in relation to different cases resulting in 88 approaches to companies. The overall response rate was 58%, which is below our average response rate of 73% globally. While this figure does not reflect ICT companies' actual conduct on the ground, response rates can be an indicator of companies' openness to engaging with human rights concerns raised by civil society.

Over a third of allegations to which we sought responses concerned violence and oppression,

which included the denial of freedom of expression, as well as arbitrary detention, torture, killings, intimidation of and threats against political dissidents in particular; closely followed by alleged infringements on the right to privacy.<sup>1</sup> Fifteen percent of allegations were related to labour rights, with concerns ranging from restrictions on freedom of association, dangerous working conditions, calls for a living wage as well as allegations of child labour, unfair dismissals and sexual harassment at the workplace. Security issues, including in conflict zones, were a concern in seven, and land rights and displacement a concern in six approaches to companies (see figure 1).

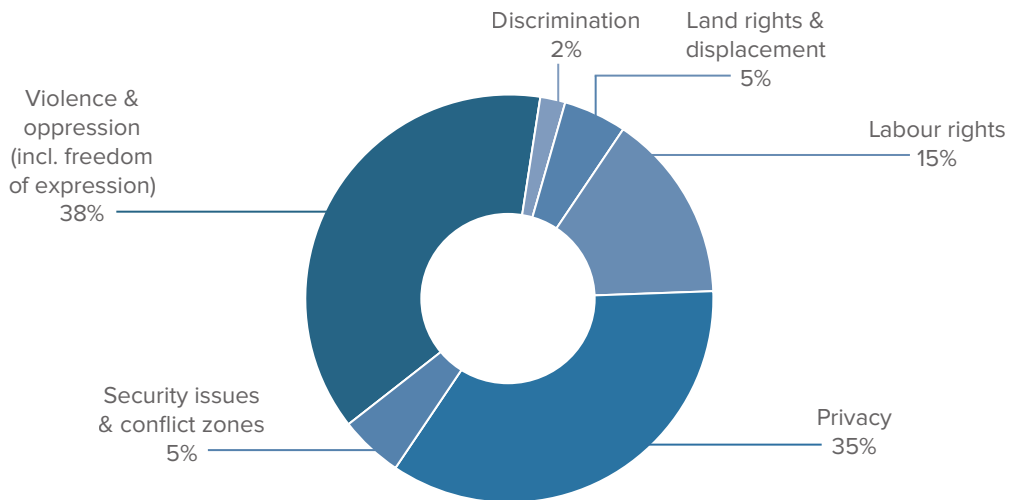


Figure 1: Human rights issues raised in allegations against ICT companies to which Business & Human Rights Resource Centre sought responses

<sup>1</sup> Some cases concerned more than one type of human rights allegation.

Among the allegations, we identified five key areas of activity within the ICT sector where negative human rights impacts were reported<sup>2</sup>:

1. Raw material sourcing
2. Manufacturing/assembly
3. Individual use of digital products
4. Complicity with government restrictions/repressions
5. New technologies (e.g.: artificial intelligence)

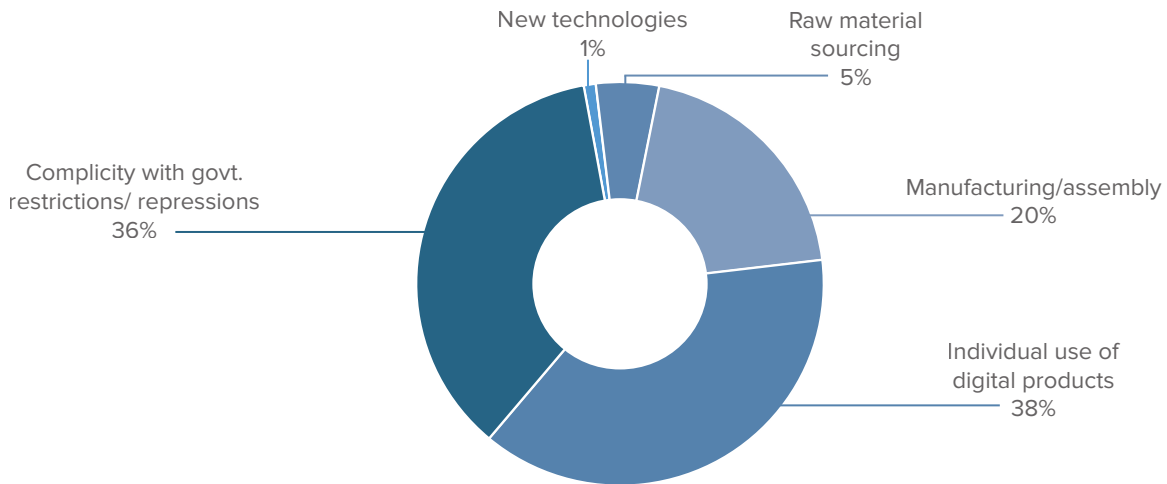


Figure 2: Company responses sought by Business & Human Rights Resource Centre by area of activity within the ICT sector

Human rights allegations linked to individual use of digital products and companies’ complicity with repressive governments accounted for 74% of all cases in which we approached ICT companies for responses. The main types of human rights allegations in these areas were related to privacy rights as well as violence and oppression. The third highest area of activity was the manufacturing and assembly of electronic devices, accounting for 20% of cases, all of

which were related to labour rights. This included amongst others concerns around health and safety at work, particularly workers’ exposure to toxic chemicals and workplace accidents. Allegations related to raw material sourcing were evenly distributed across concerns about security issues particularly in conflict zones, where many raw materials are sourced from, and labour rights particularly around dangerous working conditions and child labour in mining.

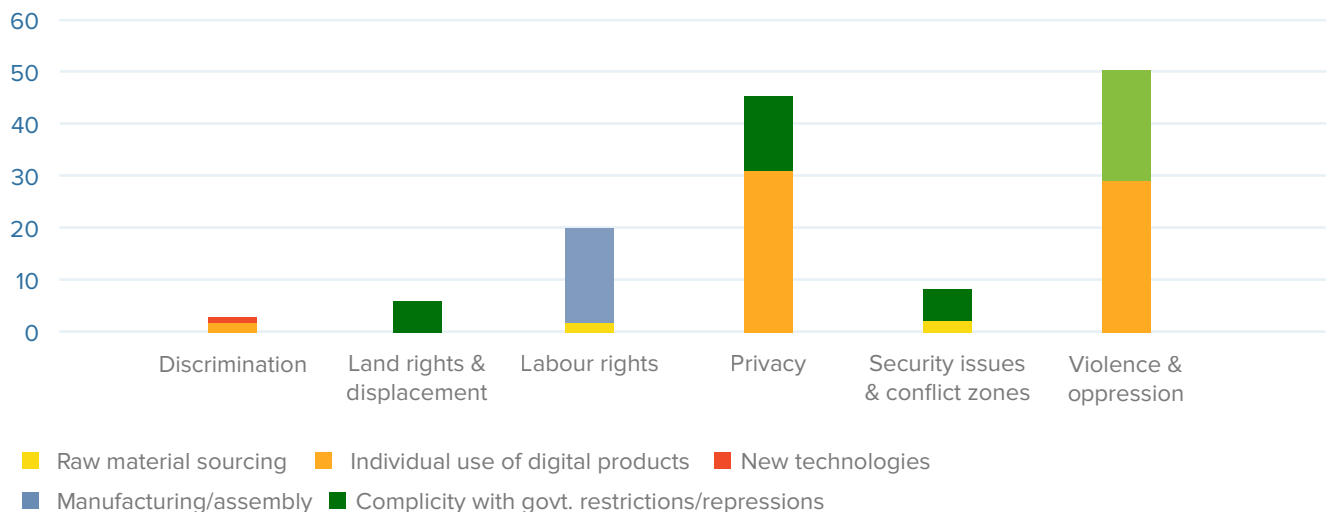


Figure 3: Type of human rights allegations by areas of ICT sector activity among company responses sought by Business & Human Rights Resource Centre from ICT companies

<sup>2</sup> Two cases concerned both areas of activity #1 and #2

### Where did the alleged abuse take place?

Over a third of allegations against ICT companies were related to global impacts or affected more than one region (34%), demonstrating the global reach and cross-cutting nature of the industry. These were followed by impacts reported in Asia (27% total, 15% in Central Asia, 12% in South and South East Asia), Africa, and Middle East and North Africa (both 16%), and Central and South America (7%).

Eighty percent of documented allegations concerned extra-territorial human rights abuses; i.e. where impacts were reported outside a company’s country of headquarters. Although almost half the companies we approached for a response were headquartered in Europe and North America (see next section), no cases we

sought responses to affected these regions specifically.

Over two thirds of allegations related to individual use of digital products concerned impacts reported in more than one region (68%). Over half the abuses related to the manufacturing and assembly of electronic devices were reported in South and South East Asia (56%), followed by Central and South America (22%), whereas the majority of concerns related to corporate complicity with authoritarian regimes were reported in Middle East and North Africa (44%), and Africa (34%). Concerns surrounding the sourcing of raw materials were reported in Africa (60%), as well as globally (40%).

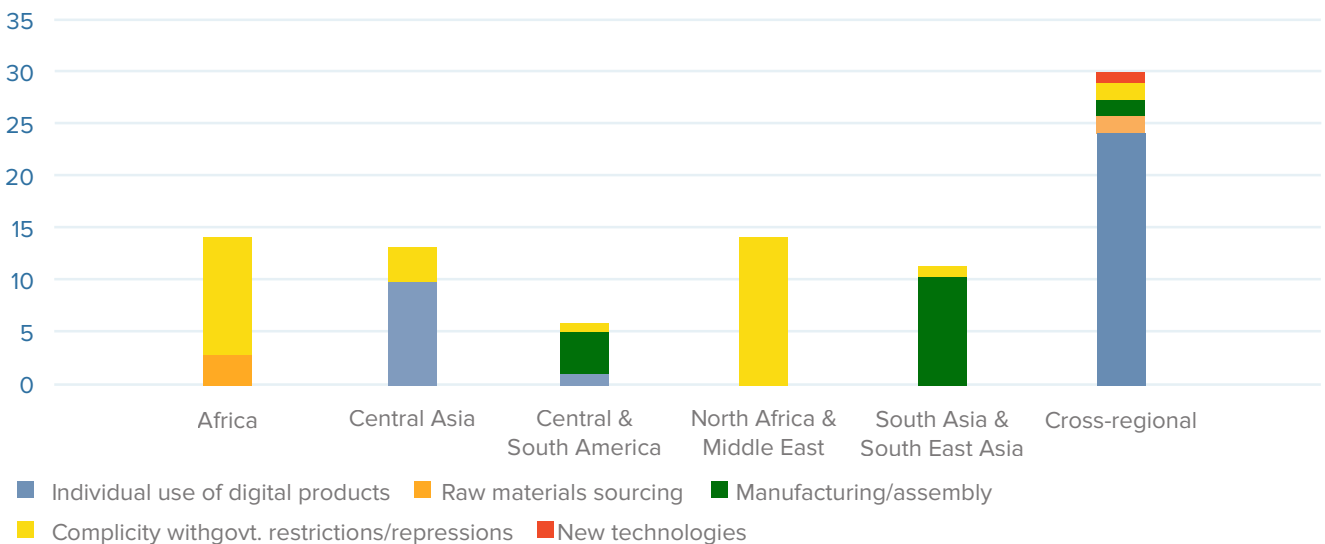


Figure 4: Geographic distribution of alleged human rights abuses Business & Human Rights Resource Centre sought responses to in the ICT sector, by areas of sector activity

### Company headquarters

Twenty-seven of the 68 companies we sought responses from are headquartered in Asia and Central Asia, 16 are headquartered in Europe, 15 in North America, five in the Middle East, three in Africa and two in Central America.

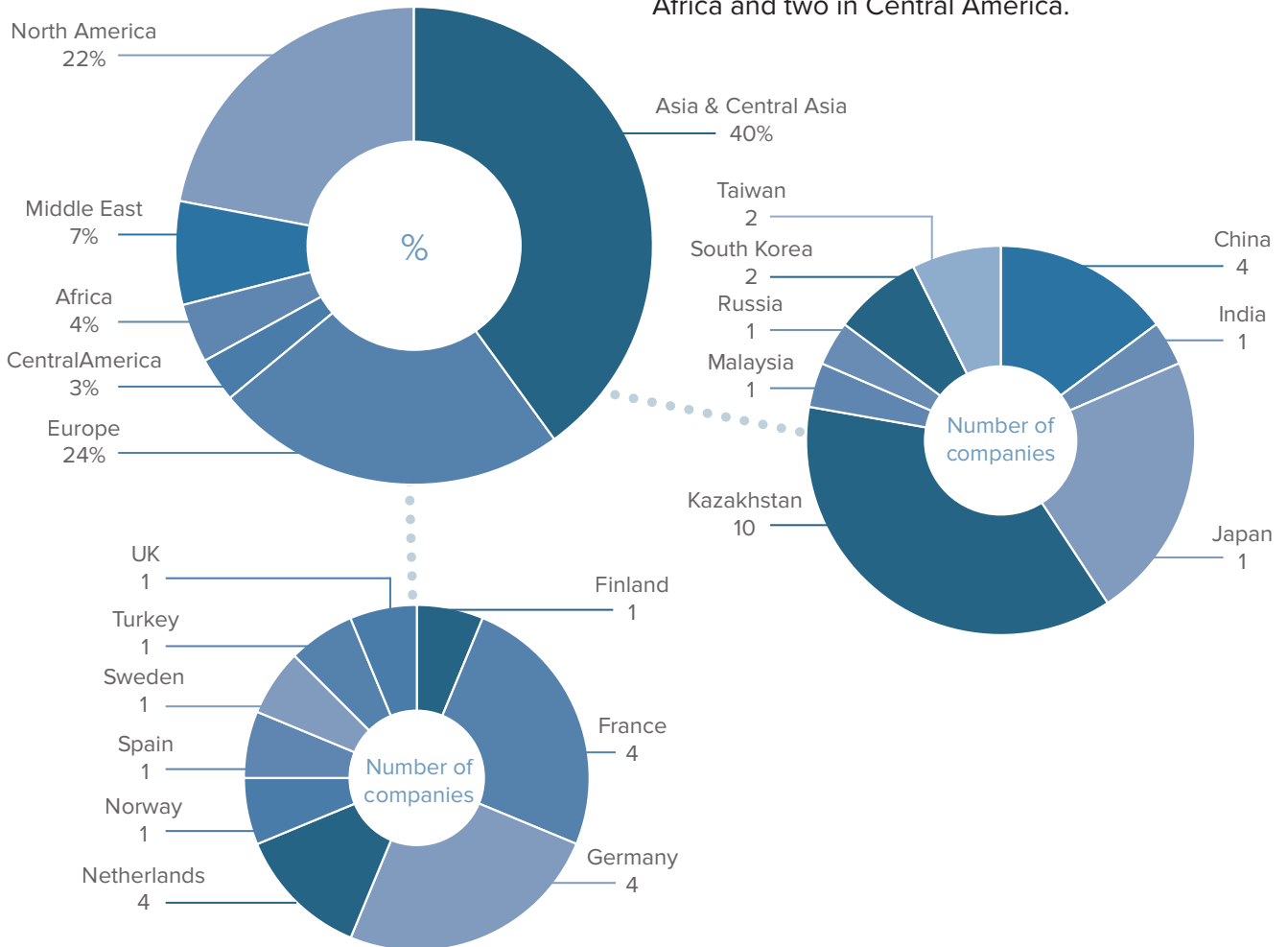


Figure 5: Headquarters of ICT companies invited to respond to human rights allegations by Business & Human Rights Resource Centre (2014-2018)

## Case studies

### *Raw material sourcing: Minerals used in mobile phones extracted in the DRC under dangerous conditions & used to finance weapons*

In November 2014, the French television news show “Cash Investigation” broadcast a [report](#) (in French) looking into the conditions under which rare minerals used in mobile phones are extracted in the Democratic Republic of Congo. Their investigation found working conditions in the mines to be extremely dangerous, with wells dug into the ground without any safety measures. According to the research, these conditions lead to the death of five workers per month. Several mines are also held by rebels who use these minerals to finance their weapons. **Apple** was named as one of the companies sourcing from these mines, however the company denied the allegations. The Resource Centre also invited **Alcatel One Touch** and **Alcatel-Lucent** to respond; Alcatel-Lucent’s response included information related to their policy on the traceability of products sourced from conflict zones – both responses are available [here](#).

### *Manufacturing/assembly: Female workers allegedly suffer fainting, dizziness & miscarriages in Samsung factories in Vietnam*

In November 2017, the Vietnamese Research Center for Gender, Family and Environment in Development (CGFED) and the Swedish NGO IPEN published a [report](#) on alleged health and safety abuses in two **Samsung** factories in Vietnam. Female workers reported they suffered frequent fainting, dizziness and miscarriages and had to stand for eight-to-twelve-hour shifts. In a [response](#) to the Resource Centre, Samsung denied the accuracy of the conditions described in the report, referring to annual independent third-party audits of the facilities to ensure law-abiding standards. The NGOs responded to Samsung’s response in a [rejoinder](#).

### *Individual use of digital products: Access Now raises concerns over the use of tracking headers by mobile carriers & user’s privacy*

In August 2015, Access Now released a [report](#) investigating the global use of so-called “supercookies” or “permacookies” – special tracking headers injected into HTTP web requests that users make through their mobile devices – by international carriers. The report, based on almost 200,000 tests taken on [Amibeingtracked.com](#), a site developed by Access Now to allow people to test their devices, raised concerns about the invasion of users’ privacy, many of whom are unaware that when they access the internet through their devices they are sharing information with carriers or third parties, as well as data retention. The Resource Centre invited the companies mentioned in the report to respond, five of which did (**AT&T, Cricket, Telefónica, Verizon** and **Vodafone**); their responses are available [here](#).

### *Complicity with government restrictions/repressions*

French companies allegedly supplied Egypt’s repressive regime with military & surveillance equipment

In July 2018, a group of international, French and Egyptian NGOs published a [report](#) accusing several French companies of profiting from Egypt’s military crackdown on dissent. **Dassault Aviation, Manurhin, MBDA, Naval Group, Safran**, and **Arqus (part of Volvo)** were reported to have supplied Abdel Fattah al-Sisi’s regime with a range of military aircraft, warships, armoured vehicles, missiles, drones, and ammunition production machines. Other companies including **Airbus, Ercom, IDEMIA**, and **Thales** were alleged to have provided technology capable of implementing mass surveillance on an unprecedented scale. The Resource Centre invited all companies to respond; only Airbus, IDEMIA, Thales, and Volvo provided responses (available [here](#)).

Mexican Government allegedly uses NSO Group’s software to spy on journalists, activists & human rights defenders

In July 2017, a civil society [report](#) alleged that cyber intelligence firm **NSO Group**’s spyware Pegasus was sold to the Mexican Government and used to harass lawyers and journalists. Working with our Mexican allies, we took up the case with NSO Group, and with major prospective investors, including **BlackRock**. We initially received no response from them. We then went to nine pension funds invested in BlackRock. Two funds, including **CalPERS**, reported they had raised the issue with BlackRock. We then got replies from NSO Group and BlackRock (available [here](#)), and a few weeks later BlackRock was reported to have withdrawn from discussions on buying a stake in NSO Group.

*New technologies: Research shows Artificial Intelligence (AI) algorithms allegedly recreate racial & gender bias*

In July 2018, the founder of the Algorithmic Justice League published an article in the New York Times on how facial analysis technology often recreates racial and gender bias. According to recent research, artificial intelligence (AI) systems that are used for targeted online advertising often discriminate based on race and gender. **HireVue** was named in the article as one company producing such technology. The Resource Centre invited HireVue to respond – it stated that all AI algorithms are carefully tested for potential bias against specific groups over the course of the development process and that no model is deployed until any factors contributing to bias have been removed. Their full response is available [here](#).

**Modern slavery and forced labour in the ICT sector: KnowTheChain findings**

Since 2016, KnowTheChain (KTC), a partnership of Humanity United, the Business & Human Rights Resource Centre, Sustainalytics, Verité and Thomson Reuters Foundation, has been benchmarking ICT companies’ efforts to eradicate forced labour from their supply chains. In the most recent benchmark, released in May 2018, the 40 largest global electronic hardware companies (by market capitalisation) achieved an average score of only 32 out of 100.

According to KTC, a key reason for the low score is little or weak evidence that policies and processes are effectively implemented. ‘Commitment & Governance’ is the highest scoring benchmarking theme on average (55/100), whereas ‘Recruitment’ (27/100) and

‘Workers Voice’ (15/100), which have the most direct impact on workers’ lives, score lowest along with ‘Remedy’ (26/100). US companies **Intel**, **HP** and **Apple** top the benchmark ranking with scores ranging from 71 and 75 out of 100.

In addition to the benchmark, which evaluates all of a company’s disclosure on the topic as well as company responses to forced labor allegations, in March 2018 KTC published an assessment of [UK Modern Slavery Act reporting by 102 medium and large-size global ICT companies](#). While most of these companies had published a statement, overall compliance with the minimum three requirements of the law was found to be low by KTC’s assessment.



Figure 6: Compliance of ICT companies with UK Modern Slavery Act basic requirements (KTC 2018)

## Selected human rights and sustainability initiatives in the ICT sector (non-exhaustive)

- [Global Network Initiative](#) (merged with Telecommunications Industry Dialogue in 2017): Multi-stakeholder platform set up to protect and advance freedom of expression and privacy in the ICT sector; increasingly working on complicated cases of government requests to hand over user data, remove content or restrict communications.
- [Responsible Business Alliance](#): Industry coalition of leading electronics companies dedicated to improving social, environmental and ethical conditions in their supply chains.
- [Global e-Sustainability Initiative](#): Brings together leading companies as well as industry associations and NGOs committed to achieving sustainability (through ICT)
  - 6 working groups: Communications, Climate Change, Energy Efficiency, e-Waste, Public Policy and Supply Chain
  - Supply Chain working group works with Responsible Business Alliance to develop common tools
- [Responsible Minerals Initiative](#): Industry initiative focusing on tracing minerals back to smelters, also offering companies and suppliers third-party audit system to verify which smelters and refiners have systems in place to source minerals in line with global standards
- [Initiative for Responsible Mining Assurance](#): Multi-stakeholder effort to develop a system to independently verify compliance with environmental, human rights and social standards for mining operations. Members include mining companies, companies that purchase mined materials (e.g. ICT, jewellery companies), NGOs, communities, and labour organisations.

## Guidance & resources

- [2016 Information & Communication Technology Company Action Guide](#), KnowTheChain, 2016
- [Investor Note: Poor Digital Rights Performance - Who Pays the Price?](#), Ranking Digital Rights, 2017
- [ICT sector guide on Implementing the UN Guiding Principles on Business and Human Rights](#), Shift & Institute for Human Rights and Business (for the European Commission), 2013
- [OECD Guidance on responsible mineral supply chains OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas](#), Second Edition, November 2012
- [UN Guiding Principles on Business and Human Rights](#), June 2011
- [National Action Plans \(NAPs\) on Business & Human Rights](#), including those of [Finland](#) (September 2014), [France](#) (incl. [Action Proposals](#), April 2017), [Germany](#) (December 2016), [Netherlands](#) (December 2013), [Norway](#) (October 2015), [Spain](#) (July 2017), [Sweden](#) (August 2015), the [United Kingdom](#) (September 2013, updated May 2016) and [USA](#) (December 2016), all of them headquarter locations of ICT companies whose responses were analysed in this briefing.

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[www.business-humanrights.org](http://www.business-humanrights.org)