

## **Written evidence submitted by Hikvision (FL0026)**

Dear Mr. Jones, Ms. Ghani and Members of the Committee:

We received your request on October 23, 2020, to submit written evidence as part of an inquiry being conducted by the Business, Energy and Industrial Strategy (“BEIS”) Committee. Thank you for the opportunity to share information about Hangzhou Hikvision Digital Technology Co., Ltd (“Hikvision”). Hikvision, headquartered in Hangzhou, China, is a world leading security product manufacturer and solution provider with video as its core competency. The company’s mission is to explore innovative ways to make the world safer.

The company has grown from a 28-person start-up in 2001 to a global enterprise by engineering and bringing state-of-the-art technology to market. Since 2010, the Company has been operated as a publicly traded company listed on the Shenzhen Stock Exchange. Today, Hikvision employs more than 40,000 people and provides products by working with more than 100,000 global distributor and integrator partners in more than 150 countries around the world. Hikvision’s products meet the most rigorous and comprehensive cybersecurity standards.

Hikvision has supplied products through partners in the UK since 2007. In 2014, the company established Hikvision UK Limited (“Hikvision UK”), headquartered in Uxbridge, London. Today, Hikvision UK employs more than 350 professionals across five offices. Its dedicated R&D centre, launched in 2019, is helping to support the development of skills and jobs in the UK and throughout Europe.

Hikvision categorically opposes forced labour and child labour and does not permit it within the company or in any of the company’s value chains. Hikvision opposes all forms of modern slavery. Hikvision does not, nor has it ever, made use of any forced labor anywhere in the world.

Hikvision fully embraces and has implemented the foundational and operational principles laid out in the U.N. Guiding Principles of Business and Human Rights. This means that Hikvision acknowledges its responsibility to respect human rights in every country in which it operates. Its conception of human rights is not defined by any particular State’s practices or ability and willingness to fulfill its own human rights obligations, but by reference to universal, internationally respected and codified human rights, particularly as expressed in the International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work. Following these international charters and instruments, Hikvision respects the rights of indigenous peoples, women, national or ethnic, religious and linguistic minorities, children, persons with disabilities, and migrant workers and their families. Hikvision

guarantees to its employees equal employment opportunity and freedom from harassment or discrimination of any kind in the work place.

In the UK, Hikvision UK complies with the Modern Slavery Act 2015. Hikvision requires that all of its suppliers adhere to these standards.

Hikvision also ensures that none of its supply chains involve forced labor. For example, Hikvision has policies and procedures in place to ensure it does not make any direct or indirect purchases of conflict minerals from any sources that may finance or benefit armed groups in the Democratic Republic of Congo and other politically unstable areas. The company has established a conflict minerals management and control system for mineral resources and products, including in, tungsten, tantalum, gold and cobalt, in accordance with “five steps” stipulated in the Organization for Economic Co-operation and Development’s Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Hikvision has further expressed its commitment to meet its responsibility to respect human rights through various publicly available statements of policy, including:

- Hikvision’s November 2018 Corporate Social Responsibility Agreement (“CSR Agreement”) includes a section on ethics and makes explicit Hikvision’s expectation that “suppliers will meet internationally proclaimed Human Rights and should avoid being complicit in human right abuses of any kind.” The CSR Agreement is applicable to all suppliers and contractors that provide products or services to the Company. Any enterprise or organization that intends to be, or has become, Hikvision’s supplier to provide products, materials, or services falls within the Company’s definition of “supplier.” More than 90 percent of Hikvision’s suppliers have signed the agreement.
- In December 2018, the Company began incorporating the following clause into its contracts: “Both parties hereto shall take social responsibilities, respect human rights, treat employees well ... and abide by laws and regulations and globally recognized business ethics standards/norms ... Distributor shall follow the applicable laws and regulations, especially for the specific requirement on installation and use of the product, to avoid infringement of third party rights.”
- In July 2019, Hikvision updated its product user manual to include human rights protection-related language in order to provide an alert to end users when using Hikvision products.
- And in December 2019, Hikvision updated its Code of Ethics and Business Conduct to include human rights protection language, as part of the Company’s efforts on human rights governance.

Hikvision established its Urumqi Branch in Xinjiang in 2009 which is now one of the company’s nearly 90 business branches. Currently, the branch employs more than 300 people and its major function is marketing and sales to local commercial distributors and installers. The company’s principal manufacturing facilities in China are based in Hangzhou, Tonglu and Congqing -- none

of which is located in the Xinjiang Uyghur Autonomous Region (XUAR). As of the date of this letter and to the company's best knowledge, Hikvision has no component suppliers for any products sold around the world that are based in this region.

With respect to data privacy in the UK, there are no obligations under Chinese law that would require Hikvision to transfer data gathered from its UK operations to the Chinese government. In general, Hikvision has no access to user data and does not participate in operating or maintaining systems that use Hikvision products. After equipment sales and delivery, Hikvision does not have the authority to access any equipment without users' permission.

Hikvision strictly follows all applicable data protection laws, regulations and norms of operating in the UK, including the General Data Protection Regulation, and helped launch the "Secure by Default" guidelines established by the Surveillance Camera Commissioner's Office. In addition, Hikvision's compliance team is following possible legislative changes resulting from Brexit and will adhere to any forthcoming regulations.

Hikvision takes cybersecurity and data privacy seriously and abides by all laws and regulations in the countries in which it operates. With a record of strict regulatory compliance, Hikvision products meet internationally recognized industry standards for safety and security that include ISO 270001, ISO 9001:2008, CMMI Level 5, and AICPA SOC. organizations. Hikvision has also been granted certification for Federal Information Processing Standard (FIPS) 140-2, which is a U.S. government standard used to evaluate and validate encryption, and is one of the most widely recognized security standards around the world.

Finally, in 2019, Hikvision published an Environmental, Social and Governance ("ESG") Report for the first time which includes more information related to the company's cooperate social responsibilities beyond the financial data, including a specific section on corporate governance, compliance and human rights. The company plans to continue to release an ESG report annually to update the public Hikvision's commitments.

Sincerely,

Jeffrey He  
Vice President, Global Affairs

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