

National Contact Point for Responsible Business Conduct Sweden

FINAL

Justice for Iran – Axis Communications Date (25/04/2025)

The objective of the initial assessment process under the Procedural Guidance is to determine whether the issues raised in the specific instance merit further examination. If so, the NCP will offer or facilitate access to consensual and non-adversarial procedures, such as dialogue, mediation or conciliation (e.g. 'good offices') to the relevant parties. As specific instances are not legal cases and NCPs are not judicial bodies, NCPs cannot impose sanctions, directly provide compensation nor compel parties to participate in a conciliation or mediation process.

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Overview of the NCP and its role

The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct are the leading international standard for how companies and investors should address their impacts on people, the planet and society. They apply to businesses and investors of all sectors, sizes and ownership structures, and cover all key sustainability issues – from climate change to technology, from anti-corruption to human rights and labour standards. As of 8 June 2023, all OECD Members are Adherents, as well as Argentina, Brazil, Bulgaria, Croatia, Egypt, Jordan, Kazakhstan, Morocco, Peru, Romania, Tunisia, Ukraine and Uruguay. The European Community has been invited to associate itself with the section on National Treatment on matters falling within its competence.

The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct are recommendations addressed by governments to multinational enterprises. They aim to encourage positive contributions enterprises can make to economic, environmental and social progress, and to minimise adverse impacts on matters covered by the Guidelines that may be associated with an enterprise's operations, products and services. The Guidelines cover all key areas of business responsibility, including human rights, labour rights, environment, bribery,

consumer interests, disclosure, science and technology, competition, and taxation. The 2023 edition of the Guidelines provides updated recommendations for responsible business conduct across key areas, such as climate change, biodiversity, technology, business integrity and supply chain due diligence, as well as updated implementation procedures for the National Contact Points for Responsible Business Conduct.

The National Contact Points (NCP) for Responsible Business Conduct have a dual mandate, to raise awareness and promote observance of the Guidelines, as well as to contribute to the resolution of issues that arise relating to the implementation of the OECD Guidelines. The NCP contributes to the resolution by e.g. offering good offices, and where applicable, issuing determinations, recommendations, and carrying out follow up.

To support implementation in specific instances, paragraph C-1 and 2 of the Guidelines notes:

"The NCP will, serving as a non-judicial grievance mechanism, contribute to the resolution of the issues that arise relating to the implementation of the Guidelines in specific instances in a manner that is consistent with the core effectiveness criteria listed in Section I.A above. NCPs will publish their case-handling procedures, i.e. procedures they follow in handling specific instances, which will be consistent with these Procedures. NCPs are encouraged to consult their stakeholders, in developing their case-handling procedures. The NCP will offer a forum for discussion and its expertise on the Guidelines to assist the business community, worker organisations, other non-governmental organisations, and other interested parties concerned to resolve the issues raised in an efficient and timely manner and in accordance with the applicable law and the Guidelines. Depending on the characteristics of each case, this assistance may include supporting constructive dialogue, facilitating agreements between parties and/or issuing recommendations. The aims of such assistance may include furthering the implementation of the Guidelines.

In providing this assistance the NCP will:

- 1. Where other NCPs are concerned due to the characteristics of the Specific Instance, coordinate in good faith with them to choose the lead and supporting NCPs
- 2. Consult the parties on the issues raised and make an initial assessment of whether these issues warrant further examination and respond to the parties involved."

Source: OECD (2023), OECD Guidelines for Multinational Enterprises

Executive Summary

The complaint was received January 11th 2025 and submitted by Justice for Iran (JFI)/Justice Beyond Borders, a non-governmental organisation based in London, UK. The complaint regards Axis Communications.

The issues raised in the complaint, relates to:

- 1. Chapter II. General Policies.
- II.2. "Respect the internationally recognised human rights of those affected by their activities."
- II.11. "Carry out risk-based due diligence, for example by incorporating it into their enterprise risk management systems, to identify, prevent and mitigate actual and potential adverse impacts as described in paragraphs 12 and 13, and account for how these impacts are addressed. The nature and extent of due diligence depend on the circumstances of a particular situation."

- II.12. "Avoid causing or contributing to adverse impacts on matters covered by the Guidelines, through their own activities, and address such impacts when they occur, including through providing for or co-operating in the remediation of adverse impacts."
- 2. Chapter IV. Human Rights.
- IV.1. "Respect human rights, which means they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved."
- IV.2. "Within the context of their own activities, avoid causing or contributing to adverse human rights impacts and address such impacts when they occur."
- IV.4. "Have a publicly available policy commitment to respect human rights."
- IV.5. "Carry out human rights due diligence as appropriate to their size, the nature and context of operations and the severity of the risks of adverse human rights impacts."

Coordination with any other NCP has not been regarded as relevant.

This initial assessment process seeks to determine whether the issues raised in the specific instance merit further examination.

The decision is based on an initial assessment of the information submitted and does not represent a conclusion as to whether the enterprise observed the Guidelines or not.

Substance of the submission (circumstances presented) and the enterprise's response

Justice for Iran raised issues with Axis Communications video surveillance products allegedly being used to violate human rights in Iran. JFI claimed that Axis Communications CCTV cameras are largely available in Iran and used by the government to identify protesters and women who defy compulsory hijab. The complaint connected the issues raised to Chapter II General Policies, paragraphs 2, 11 and 12 as well as Chapter IV Human rights, paragraphs 1, 2, 4 and 5 in the Guidelines.

To verify their complaint, JFI has submitted examples of their statements by referring to an Iranian company claiming to use Axis products, links to a photograph of Axis Communications training Iranian companies in surveillance and video monitoring in 2023 as well as a link to a video of Iranian police using Axis traffic cameras to identify women without hijab.

Furthermore, JFI claims that Axis Communications does not have a human rights policy or commitment to human rights expressed on its website.

JFI aims to request the company to cease and desist all alleged business with Iran and related entities who use their technology to violate human rights.

Axis Communications informed the NCP that no Axis products are being sold or solutions may be carried out in Iran, neither by Axis communications nor their contracted distributors, and that they comply with all applicable export control and sanctions legislations in their exports. Additionally, Axis carries out systematic screening of customers to prevent violations.

However, until 2020, Axis sold cameras to a distributor with Iran included in its distribution territory. Axis underlines that this means that before 2020, their cameras could have been sold to the Iranian government and other entities in Iran. To prevent their products being used in regions submitted to sanctions legislation, Axis has expressed that they now use geo-blockers that prohibits any firmware and software updates to their products in Iran.

With reference to the issues raised regarding training sessions held by Axis in Iran in 2023, Axis dismisses the image that was provided by JFI as wrongfully dated. In their response, Axis assures that no training has been carried out in Iran since 2017.

Axis provided the NCP of links to its Human Rights Policy (published 2024), Code of Conduct, Export Control Policy and annual sustainability report.

In their response, Axis encouraged an open communication and welcomed a further dialogue with JFI.

The proceedings of the NCP to date

Since receipt of the submission, the NCP has carried out the following actions:

Date	Action that occurred
11.01.2025	Submission received
14.01.2025	NCP confirmed the receipt of the submission
20.01.2025	NCP contacted Axis Communications with the request for a contact person at Axis Communications.
20.01.2025	Axis Communications provided a name and contact details for the contact person
21.01.2025	Axis Communications was notified of the complaint by NCP
05.02.2025	Axis Communications responded to the submission
23.01.2025	NCP secretariat informed members of the NCP of the specific instance.
05.02.2025	Meeting with Justice for Iran to explain NCP process and let the submitter to add details to the file
13.02.2025	Meeting with Axis to explain NCP process and let the enterprise to add details to the file.
13.02.2025	Meeting with NCP, with the participation of Justice for Iran.
04.03.2025	Meeting with NCP, with the participation of Axis Communications.
11.03.2025	Meeting with NCP which decided to draft an initial assessment.
02.04.2025	Draft initial assessment shared with the NCP
09.04.2025	Meeting with NCP, first discussion on the draft initial assessment.
09.04.2025	NCP provided comments received on the draft initial assessment
14.04.2025	Draft initial assessment shared with the parties
15.04.2025	Justice For Iran provided comments received on the draft initial assessment
22.04.2025	Axis Communications provided comments received on the draft initial assessment

All documents submitted were shared with the parties.

Initial assessment by the NCP

The NCP has decided to accept the submission. This decision has been taken following an assessment by the NCP as to whether the issues raised are i) "bona fide", i.e. real or authentic and ii) relevant to the implement of the Guidelines, i.e. within the scope of the Guidelines. To achieve this, the NCP took into account the following six criteria:

What is the identity of the party concerned (e.g. submitter(s)) and its interest in the matter?

JFI is a non-governmental organisation based in London, UK. JFI advocates for marginalized groups and individuals victimized in Iran or by Iranian officials and is filing the complaint on behalf of these groups. JFI has a consultative status with the Economic and Social Council of the United Nations (ECOSOC).

Are the issues raised material and substantiated?

The NCP interprets 'material and substantiated' to mean that, based on the information submitted, the issues raised are related to the application of the OECD Guidelines. The submission is material in the sense that it refers to alleged breaches of specific provisions of Chapter *II General Policies* and *Chapter IV Human Rights* of the OECD Guidelines. The submitting party has substantiated its submission by providing the necessary information for the NCP to consider the issues raised.

Is there a link between the activities of the enterprise(s) and the issues raised?

NCP notes that the enterprise is linked to the issues raised.

What is the relevance of applicable law and procedures, including court rulings?

The complainant has brought the Aban Tribunal Judgement, dated November 1st 2022 to the NCP's attention.

How similar issues have been, or are being, treated in other domestic or international proceedings?

The NCP notes that there are no ongoing or past parallel proceedings.

Would considering this submission contribute to the purposes and effectiveness of the Guidelines'?

This initial assessment would contribute to an increased awareness of the Guidelines, as well as to contribute to a discussion on what to expect from the initial assessment and also facilitate a dialogue between the parties.

Conclusion

The questions raised in the complaint could not be dismissed by the NCP in a first examination of it. The Swedish NCP therefore concludes that this submission merits further consideration based on the criteria in para 25 of the commentary on the procedural guidance.

The conclusion is based on information received from both parties. The Swedish NCP does not express an opinion on the correctness of the statements. Neither does the NCP express an opinion on the validity of the documentation provided by the parties.

Next steps

The Swedish NCP accepts this case as lead NCP for further examination and offers its good offices to the parties. The parties have expressed an interest to engage in a dialogue. The NCP will contact them about the next step.