ComNav Tech Response 28.2.2023

sales

11:05 AM (2 hours ago)

to me

Hi Sir,

Thanks for this email! This email was go to spam box so our reply was late!

Our GNSS board is used for agriculture, we also have the similar clients from Ukraine. We do not think any of SinoGNSS board is used in UAV.

There is one company called U

BLOX--<u>https://www.gpsworld.com/iranian-uav-downed-in-ukraine-contains-western-technology/</u>, Their GNSS already used in UAV and was found in War, but even USA and Ukraine never make any sanction. On the contrary, our GNSS is used in agriculture but named to support war, so please kindly remove US from the list.

Best Regards

B4Ukraine

ComNav Technology Ltd. Building 2, No.618 Chengliu Middle Rd. 201801 Shanghai, China

RE: ComNav Technology Ltd.'s business operations in Russia

February 22, 2023

Dear ComNac Technology Ltd. leadership team,

We write to you as <u>B4Ukraine</u>, a coalition of Ukrainian and international civil society organizations working to curtail the financial resources enabling the Russian invasion of Ukraine. We expect companies to demonstrate opposition to Russia's war of aggression, public support for the people, democracy, and territorial integrity of Ukraine, and alignment with the UN Guiding Principles on Business and Human Rights (UNGPs). At stake is not only the sovereignty and territorial integrity of a democratic Ukraine, but also the continuity of the rules-based international order and the prosperity of the global economy.

We request an urgent dialogue regarding ComNav Technology Ltd.'s (ComNav Technology) ongoing business operations and relationships in Russia that may contribute to, or be linked with, human rights harms.

It has been almost one year since Russia invaded Ukraine and the devastating impacts continue to shock the global conscience and shake the global economy. Russia is violating international humanitarian law (IHL), including war crimes and crimes against humanity, through attacks on civilians and civilian infrastructure (e.g., mass executions, sexual violence, torture, and forcible transfer of civilians). More than 18,000 Ukrainians have been killed and injured and millions more have been forced to flee their homes, creating one of the largest humanitarian and refugee crises of modern times.

On September 21, President Vladimir Putin escalated the war by announcing a "partial mobilisation" of the Russian population. The accompanying legislation (Article 9 of Federal Law No. 31-FZ) mandates all organisations, including the 1,500 international companies that are currently operating on a full or limited scale in Russia, to conduct military registration of the staff if at least one of the employees is eligible for military service.¹ They must also assist with delivering the military summons to their employees, ensure the delivery of equipment to assembly points or military units, and provide information, buildings, communications, land plots, transport, and other material means of support to the war effort.

This legislation entails new and significant legal risks for companies remaining in Russia, including potential civil and criminal liability under comprehensive sanctions regimes and recent international

¹ Federal Law No. 31-FZ of February 26, 1997 "On mobilization training and mobilization in the Russian Federation" (as amended), <u>https://base.garant.ru/136945/</u> (accessed January 2, 2022).

jurisprudence holding corporations and their officers responsible for human rights abuses abroad.² Companies may be exposed to financially material risks through operational restrictions, such as limitations of future government contracts.³ By remaining in Russia, companies may not only be exposed to these risks but may also become directly complicit in war crimes.⁴

According to the Kyiv School of Economics Institute's (KSE) #LeaveRussia <u>company tracker</u>, many companies have left Russia in response to this unprovoked and unjustified war.⁵

Following the invasion of Ukraine, ComNav Technology has not announced an exit from the Russian market, termination of investment or new projects, limitation of business activity, or any other form of reduction of presence in Russia. On the contrary, the company has continued to conduct business in Russia. ComNav Technology allegedly still supplies navigation and radar equipment to Russia. The navigation modules manufactured and provided by ComNav Technology are used to support the Russian GLONASS system, used in Russian drones and missile systems. The NACP states:

"Russian UAVs, as well as Iranian "Shakhed" UAVs, as well as missile launches on the territory of Ukraine, need communication with the GLONASS system to commit missile terror and wage war against Ukraine. The use of the GLONASS system in Russian military equipment is almost entirely dependent on foreign-made modules, one of whose suppliers, under the terms of sanctions, was Comnav Technology Ltd."⁶

https://www.asso-sherpa.org/aiding-and-abetting-war-crimes-in-yemen-criminal-complaint-submitted-againstfrench-arms-companies (accessed January 2, 2022).

² International companies remaining in Russia are now at a greater risk of violating sanctions regimes as implementation of the legislation will likely involve transacting with sanctioned individuals or entities. Furthermore, new domestic civil and criminal cases against companies involved in violations of international law demonstrate the risk of significant liability for facilitating state-sponsored human rights abuses abroad (e.g., Lafarge case, Lundin case, Castel Group indictment, Nevsun holding, and Dassault Aviation, Thales, and MBDA France criminal complaint.) Victoria Riello and Larissa Furtwengler, "Corporate Criminal Liability for International Crimes: France and Sweden Are Poised To Take Historic Steps Forward," September 6, 2021, https://www.justsecurity.org/78097/corporate-criminal-liability-for-human-rights-violations-france-and-sweden-are-poised-to-take-historic-steps-forward/ (accessed January 2, 2022); The Sentry, "Breaking: France Opens War Crimes Inquiry Focused on Iconic Food and Beverage Conglomerate," July 1, 2022,

https://thesentry.org/2022/07/01/7216/breaking-france-opens-war-crimes-inquiry-focused-iconic-food-bevera ge-conglomerate/ (accessed January 2, 2022); *Rfi*, "French technology firm charged over Libya cyber-spying," July 2, 2022,

https://www.rfi.fr/en/business-and-tech/20210701-french-tech-firm-charged-over-libya-cyber-spying (accessed January 2, 2022); Preston Lim, "Canadian Supreme Court Allows Corporate Liability for International Law Violations," Lawfare, March 12, 2022,

https://www.lawfareblog.com/canadian-supreme-court-allows-corporate-liability-international-law-violations (accessed January 2, 2022); Sherpa, "Aiding and abetting war crimes in Yemen: Criminal complaint submitted against French arms companies," June 2, 2022,

³ Venable LLP, "Do You Contract with State Governments? If So, Beware of Emerging State Sanctions' Obligations Related to Russia and Belarus," *JD Supra*, June 3, 2022,

https://www.jdsupra.com/legalnews/do-you-contract-with-state-governments-6537229/ (accessed January 2, 2022).

⁴ Nataliya Popovych and Bennett Freeman, "Russia's Putin is forcing foreign-owned companies to participate in his conscription campaign. It's time to get out," Fortune, October 13, 2022,

<u>https://fortune.com/2022/10/13/russia-putin-foreign-owned-companies-conscription-campaign-sanctions-ukr</u> <u>aine-war-international-europe-popovych-freeman/</u> (accessed November 14, 2022).

⁵ The UN General Assembly condemned Russia's "aggression against Ukraine" and demanded that Moscow "unconditionally withdraw all of its military forces from the territory of Ukraine within its internationally recognized borders."

⁶ NACP, "International Sponsor of War – ComNav Technology Ltd.,"

https://sanctions.nazk.gov.ua/en/boycott/16/ (accessed February 22, 2023).

The Economic Security Council of Ukraine reports that ComNav Technology made 73 deliveries, most notably navigation and radar equipment, to the territory of the Russian Federation from February 24 to December 30, 2022, for a total amount of \$2.1 million.⁷

In response, on February 20, 2023, the Ukrainian National Agency for Prevention of Corruption (NAPC) included ComNav Technology in the list of international sponsors of the war.⁸ The basis for this decision was the information provided by the Economic Security Council of Ukraine. The decision to add ComNav Technology to the list of international sponsors of the war was made "in order to make it impossible to further use these technologies to kill Ukrainians.⁹

Due to these developments, we are requesting a clarification from ComNav Technology on whether it intends to continue the supply of its technology to the Russian market. The company's activities risk enabling and financing Russia's violations of IHL and human rights law during the ongoing invasion and occupation of Ukraine and violating ComNav Technology's obligations under the United Nations Guiding Principles on Business and Human Rights. It remains to be seen how directly ComNav Technology will be impacted by the partial mobilisation and the heightened legal, regulatory, operational, and financial risks associated with companies being required to provide direct support to the internationally sanctioned Russian military.

We seek to understand how ComNav Technology has conducted and continues to conduct heightened human rights due diligence and how the findings of such a process has resulted in these continued business activities and relationships. As noted by the UNGPs:

...the more severe the abuse, the more quickly the enterprise will need to see change before it takes a decision on whether it should end the relationship. In any case, for as long as the abuse continues and the enterprise remains in the relationship, it should be able to demonstrate its own ongoing efforts to mitigate the impact and be prepared to accept any consequences – reputational, financial or legal – of the continuing connection.

In consideration of the above points and B4Ukraine's Declaration,¹⁰ we request an urgent dialogue with ComNav Technology's relevant senior management and staff to discuss the company's ongoing activities and relationships in Russia, associated risks to the people of Ukraine and the company, and potential steps to prevent or mitigate these risks. Please contact B4Ukraine at <u>contact@b4ukraine.org</u> to schedule a call. We kindly ask for your response by 5:00pm CET, March 8, 2023.

Sincerely,

The B4Ukraine Coalition

https://ukrainetoday.org/2023/02/20/chinese-company-caught-supplying-missile-equipment-to-russia/ (accessed February 22, 2023).

⁷ Elena Kovalenko, "Chinese company caught supplying missile equipment to Russia," *Ukraine Today*, February 20, 2023,

⁸ NACP, "International Sponsor of War – ComNav Technology Ltd.,"

https://sanctions.nazk.gov.ua/en/boycott/16/ (accessed February 22, 2023).

⁹ NACP, "A Chinese company that produces microelectronics for the navigation of Russian missiles and drones is recognized as an international war sponsor," February 20, 2023

<u>https://nazk.gov.ua/en/news/a-chinese-company-that-produces-microelectronics-for-the-navigation-of-russian</u> <u>-missiles-and-drones-is-recognized-as-an-international-war-sponsor/</u> (accessed February 22, 2023).

¹⁰ B4Ukraine, "About," <u>https://businessforukraine.info/about</u> (accessed January 2, 2022).