

# Nokia Corp.

**TICKER**

HLSE:NOKIA

**MARKET CAPITALIZATION**

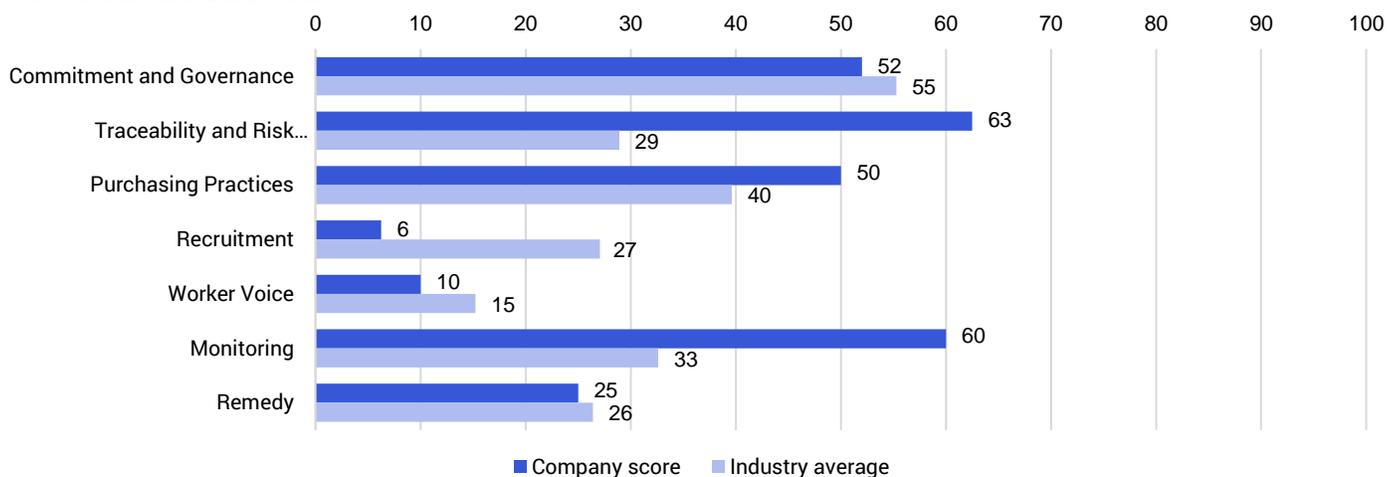
US\$27 billion

**HEADQUARTERS**

Finland

**COMPLIANCE**
UK Modern Slavery Act: [Disclosure available, but not compliant](#)
California Transparency in Supply Chains Act: [Not applicable](#)
**COMMITMENTS**
[Yes](#)
**OVERALL RANKING**
**13 out of 40**
**OVERALL SCORE**
**38 out of 100**
**SUMMARY**

Nokia Corp. (Nokia) ranks 13th out of 40 companies. On average, it discloses more information on its forced labor policies and practices than its peers, with particularly strong disclosures for traceability and risk assessment and monitoring but limited disclosure on the theme of recruitment. Notably, the company discloses a supply chain risk assessment which considers aspects such as informal employment, a map highlighting the degree of modern slavery in its sourcing countries, and several examples of concrete steps suppliers have taken to address violations of the company's standards. Further, the company has committed to implement a supplier worker empowerment program by 2020. Additional steps the company could take to address forced labor risks in its supply chains include strengthening its disclosure and practices on the themes of recruitment and worker voice, developing and disclosing a managerial structure with responsibilities for implementing its supply chain policies and engaging with stakeholders on forced labor.

**THEME LEVEL SCORES**


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## LEADING PRACTICES

**Risk Assessment:** Nokia states it has conducted risk assessments on its direct supply chains by product and geography. It considers workforce skill level and risk of informal employment as part of this assessment. The company discloses the specific supply chain areas where it has identified risks (such as product areas, services, indirect sourcing areas, or sourcing countries). It further publishes an aggregate map of countries with significant supplier locations, highlighting the degree of modern slavery risks in these countries.

**Corrective Action Plans:** Nokia discloses several examples on violations of wages and working hour standards as well as the steps that it required its suppliers to take to correct these violations. Steps taken by suppliers included communicating the leave policy to affected employees, implementing time keeping devices, introducing a pre-approval requirement for overtime, and making subcontractors aware of requirements.

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## NOTABLE FINDINGS

**Training:** Nokia states that it builds internal capacity by training its procurement teams on how to communicate its requirements to suppliers and to identify potential risks. The company discloses it has conducted training workshops with suppliers on corporate responsibility, including modern slavery workshops in “extreme” or “high” risk countries including Bangladesh, Indonesia, Thailand, India, China, Egypt, Morocco, Brazil, and Colombia.

**Integration of Standards into Supplier Contracts:** Nokia states that its supplier requirements are incorporated into its contracts with suppliers. The company publishes its General Terms and Conditions which require suppliers to respect human rights as laid out in the UN Declaration of Human Rights and ILO Conventions, to monitor compliance of subcontractors, and to investigate concerns and report these to Nokia.

**Monitoring:** Nokia states that it conducts annual in-depth labor conditions and environmental management audits in line with the SA8000 methodology. This audit standard includes unannounced audits, a review of relevant documents such as employment contracts and wage records, interviews with management and workers, and visits to dormitories and workers’ housing. The company discloses the number of audits undertaken, as well as the number of findings for issue areas such as forced labor, remuneration, and working hours.

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## OPPORTUNITIES FOR IMPROVEMENT

**Commitment and Governance:** The company is encouraged to establish and disclose a managerial structure with clear responsibilities and accountability for the implementation of its supply chain policies and programs relevant to human trafficking and forced labor, both within the company and at board level. In addition, the company is encouraged to engage with relevant stakeholders on human trafficking and forced labor. This includes engagement with policy makers, workers’ rights organizations, or local NGOs in countries in which its suppliers operate, as well as actively participating in one or more relevant multi-stakeholder or industry initiatives.

**Recruitment:** To address the risk of exploitation of migrant workers through recruitment agencies in its supply chains, the company may consider requiring recruitment agencies used by its suppliers to uphold workers’ rights and ensuring that workers in its supply chains are not charged fees during any recruitment-related process. The company is also encouraged to ensure recruitment agencies used by its suppliers are audited, and to work with suppliers to guarantee migrant workers’ rights are respected (e.g., to ensure workers’ passports or other personal documents are not retained).

**Worker Voice:** To prevent and address forced labor and human trafficking risks in its supply chains, the company is encouraged to take steps to ensure that workers in its supply chains are educated on their rights and are able to exercise their right to freedom of association. While the company

provides channels for external parties to report ethical concerns, it may consider ensuring that these channels or another mechanism are communicated to, trusted and used by suppliers' workers.

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## COMPANY PROVIDED ADDITIONAL DISCLOSURE

[Yes](#)