

1 December 2006

Nokia comments on the SOMO report

The Centre for Research on Multinational Corporations (SOMO) issued a report on 1 December claiming they have found evidence of poor standards in a number of suppliers working for mobile manufacturers.

Nokia takes these issues extremely seriously. We have openly shared information with SOMO, and provide here a detailed response to their claims.

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Nokia has an open dialogue with groups like SOMO, and we welcome any insights they can provide. We have shared a lot of information with SOMO for this report and look forward to continuing the discussion.

It is a shame however that a report on such an important area contains some significant errors.

Nokia does not work with several of the companies highlighted in the report - HIVAC, P.Imes and Micro-devices. Also SOMO's claims regarding the Nokia factory in India (Chennai) are wrong.

Despite this, we are very concerned to see SOMO's evidence relating to two, of the several hundred hardware suppliers, we work with in Thailand. We have taken the SOMO evidence to both companies and are urgently investigating both cases. We will take direct action if we find these allegations to be true.

Nokia takes its responsibilities in this area very seriously. Our suppliers must comply with over 80 different requirements on areas like working hours, health & safety, and environmental management. We visit more than 100 sites each year to check these standards are being met.

It is important that all companies look for ways to constantly develop CSR standards, particularly in the emerging markets where this industry is relatively young. For example, we are currently extending the list of standards our suppliers have to comply with, including areas such as ensuring they have a clear code of conduct that is effectively communicate this to staff, and have ways for staff to feedback or make complaints.