

An overview of our supplier requirements on corporate responsibility

All suppliers as defined in our Supplier Base Management Process must comply with our robust Supplier Requirements. In addition, we expect our suppliers to have a code of conduct in place and policies related to ethical behavior, human rights, fair employment, health and safety, environment and conflict minerals.

This requirement is included in our Supplier Requirements, which form part of our contractual agreements with suppliers. To promote sustainable improvements throughout the supply chain, we ask our suppliers to put in place similar sustainability requirements for their own suppliers.

In this document we provide an overview of our requirements on

- Ethics and human resources management
- Environmental management
- Management responsibility
- Supplier Management & purchasing.

Our Supplier Requirements are based on the following international standards:

- United Nations Declaration of Human Rights
- International Labor Organization Core Conventions
- Social accountability standard SA 8000
- Occupational health and safety management standard OHSAS18001
- Environmental management standard ISO 14001.

1 Ethics and human resources management

1.1 Workforce planning and recruiting

Supplier shall have a system to ensure the availability of workforce for current and future business needs, in a sustainable and ethical manner, at both organizational and unit level.

Supplier shall ensure that competent and eligible individuals are recruited and appointed to open positions, according to competence, with equal opportunity and on a voluntary basis. Supplier shall check the eligibility of candidates and that they exceed the minimum age of 15 or the minimum legal age of employment whichever is higher. It is recommended that the Supplier conducts security clearance / background checks of candidates, when permitted by local law.

Upon employment, individuals shall be provided with a work contract/agreement/offer letter, basic induction training (without cost to the employee) and not be required to give financial deposits (neither directly nor through subcontractors used for employment) or deposit original identity documents such as passports as condition of employment. The Supplier shall not engage in or benefit from any use of forced or compulsory labor. Employees shall be free to leave the company after giving reasonable notice. Supplier shall ensure that exit procedures are compliant with local legislation, international labor standards and applicable collective agreements. Supplier shall ensure that access to information systems and tools are revoked in a timely manner for employees exiting the company, and that any property (including documentation) of Nokia Networks is collected.

Supplier shall process any personal data submitted by the employee fairly, lawfully and carefully in a way that protects the privacy and rights of employees.

Resource planning

Supplier shall ensure that resources are available to meet both current and future business needs according to company strategy. Resource planning shall be conducted at both organizational / global and unit / local levels. In particular, underage workers or false apprenticeship schemes must not be used.

1.2 Non-disclosure and confidentiality agreements

Supplier shall ensure that employees working with Nokia Networks products or projects or having access to Nokia Networks specific knowledge, information or data, or to Nokia Networks

facilities, have signed a Non-Disclosure Agreement (NDA) separately or as part of the working contract. Supplier shall ensure that the employees fully understand its practical implications.

1.3 Occupational health and safety protection

Supplier shall ensure that physical and mental working conditions allow employees to perform their tasks safely and efficiently. Supplier shall have procedures for identifying, minimizing and preventing hazards. They shall be implemented as, for example, safety instructions, work procedures, preventive maintenance, employee training, identification of potential hazards and appropriate safety devices, personal protective equipment and clothing, hearing protectors, chemical control or machine safeguarding. Supplier shall nominate and train persons responsible for the occupational health of employees. Supplier shall have specific procedures in place for employees under the age of 18 (young workers). Supplier shall assume responsibility for the occupational health of employees working off-site (e.g., at customer premises).

1.4 Occupational health and safety response

Supplier shall have occupational health and safety procedures to prepare for and respond to emergency situations involving occupational health and safety risks. Supplier shall record and investigate emergency situations. Management shall encourage employees to report accidents and take action upon these records and reports.

1.5 Employee amenities

Supplier shall ensure that employees are provided with access to potable water and clean toilet facilities. Canteen facilities and food preparation areas shall be clean and safe, and food shall be provided at reasonable cost. Employee dormitories shall be clean, safe (equipped with, e.g., fire extinguishers and exits), adequately ventilated and/or heated, shall provide reasonable personal space and shall be provided at reasonable cost.

1.6 Competence and development

Supplier shall ensure that employees have the education, training and competences required for their position and tasks. Competence analysis Supplier should periodically conduct competence analyses to identify the knowledge and skills/competences required to perform the organization's business activities according to short- and long-term strategic goals. Competence development Supplier shall ensure that employees, at all levels and with equal opportunity, have the education, training and competence they need for their positions and

tasks. Supplier shall develop training plans based on competence analyses and implement them to enhance and develop workforce capabilities. Supplier shall maintain a training register, detailing the training employees have received. Nokia Networks specific training and certification Supplier shall ensure, on request, that personnel allocated to Nokia Networks work have the necessary training on Nokia Networks policies, products, processes and guidelines and, if needed, have necessary licenses and certificates. Supplier shall ensure such licenses and certificates are valid in terms of time and scope. Supplier, providing services at Nokia Networks facilities, including (Nokia Networks') customer sites, shall ensure that its personnel act in accordance with Nokia Networks values and Code of Conduct.

1.7 Human rights and use of telecommunications technology

Suppliers and their employees shall be aware and align to the positions outlined in the Nokia Networks' "Human Rights Policy" regarding the misuse of communications technology to infringe on human rights. Nokia Networks expects that the technology it provides legally and in good faith will be used properly and lawfully, consistent with the human rights obligations of our customers and their governments. It is not the intent of Nokia Networks to violate, or provide products or services that violate human rights. This obligation extends to any supplier who is operating, configuring, maintaining or offering any service related to Nokia Networks technology or on its behalf. Supplier shall report any violation of these policies via the existing grievance channels.

1.8 Working time and time off

Supplier shall ensure that employees can perform assigned tasks efficiently without exceeding the maximum working hours as defined by local labor laws or applicable collective agreements. Supplier shall ensure that employees have at least one day off per seven-day week, and that overtime work is voluntary and it shall not be requested on the regular basis and that employees are entitled to 2 weeks of paid annual leave per year. Public holiday entitlements and other leaves of absence (e.g., medical or parental) shall comply with local labor laws or applicable collective agreements.

1.9 Compensation and benefits

Supplier shall provide all employees (permanent, temporary, apprentices and contract workers) with fair compensation (wages /salaries) meeting or exceeding local legal and industry minimum standards, for regular as well as overtime work. Supplier shall also provide employees with

benefits to reward contributions, skills and behavior considered vital to success. Compensation and benefits shall be aligned with relevant company policies.

1.10 Fair treatment

Supplier shall ensure that employees at its facilities are treated with respect and dignity, equal opportunity and are safe from abuse, harassment or bullying of any kind (e.g., physical, verbal, mental, sexual, racial, cultural, age or disability related). Unless mandatory by local law, pregnancy, HIV or Hepatitis testing shall not be used in the recruitment process.

Supplier shall ensure company rules / guidelines are regularly communicated to employees. Supplier shall ensure that disciplinary procedures prohibit physical punishment and do not support financial deductions, or the threat thereof. A progressive warning procedure shall be in place to ensure the fair treatment. Supplier shall ensure decent conditions of work with regard to maternity protection and ability to combine work with family responsibilities and wherever possible, allow observance of national or religious traditions and customs.

1.11 Communication and coordination

Supplier shall ensure that information relevant to employees (about, e.g., business activities, changes and results) is communicated across the organization. Supplier shall ensure employees can share such information fast enough to be able to align their activities efficiently.

Supplier shall respect, and not obstruct or discourage in any way, the right of all employees to seek to form or join their own organizations and to bargain collectively.. In cases this is restricted by law, facilitate parallel means to ensure that individuals or groups are able to raise concerns to the attention of the management.

Supplier should have the means to evaluate and improve employee satisfaction. A company of substantial size (i.e. headcount exceeding 100) should have an employee satisfaction program based on employee opinion surveys and should take action based on the results of the program.

1.12 Feedback and complaint channels

Supplier shall have a system through which employees can give feedback or complain about unethical conduct, unfair treatment or practices, violation of company values, policies and procedures, or improvement ideas and suggestions.

Management shall, when appropriate, act upon this feedback and handle it confidentially and anonymously. Management shall ensure that there are no adverse consequences as a result of giving feedback.

2 Environmental management

2.1 Environmental management system

Supplier shall have an environmental management system ensuring effective planning, operation and control of environmental aspects. The environmental management system shall satisfy the requirements of ISO14001 or other internationally recognized standards. Supplier shall be well-informed about environmental legislation and applicable regulations and be able to provide evidence of compliance. The environmental management system shall include a continuous improvement program.

2.1.1 Environmental management system certification

Supplier's environmental management system shall be certified as compliant with ISO14001 or Eco-Management and Audit Scheme (EMAS).

2.2 Raw material content data management

Supplier shall comply with material restrictions, set by applicable law and Nokia Networks, and continuously maintain records of full raw material content data (materials, substances and compounds) of products supplied to Nokia Networks or of materials used in implementing the services provided to Nokia Networks. These records (including any updates) shall be provided to Nokia Networks in a format specified by Nokia Networks. Suppliers shall comply with the special requirements set by Nokia Networks on traceability and storing of raw material data with regard to "Conflict Minerals".

2.3 Waste management

Supplier shall manage any waste generated from its operations or from products or customer's assets in its possession, or reaching end-of-life, or being classified as waste according to legal requirements and good environmental practices. Supplier shall establish and maintain procedures ensuring compliance with its waste management obligations. Supplier shall investigate:

- primarily, ways to reduce waste generation
- secondarily, ways to promote reuse (of non-Nokia Networks-proprietary material) and recycling.

Nokia Networks proprietary material must not be reused without prior consent from Nokia Networks.

Supplier shall record information about waste management (i.e. how much and where waste is reused, recycled, energy recovered, sent to landfill etc) and provide this information to Nokia Networks on request.

2.4 Energy Efficiency

Suppliers shall identify the sources of direct and indirect accumulated greenhouse gas (GHG) emissions and define the boundaries (scope of their responsibility). Supplier shall measure, record and report on its significant GHG emissions and shall implement optimized measures to progressively reduce and minimize GHG emissions within its control. Supplier shall communicate its level of emissions and reduction targets to Nokia Networks on request.

2.5 Programs for improving environmental performance

Supplier shall identify and measure the environmental consequences and impacts of its operations and products / services and run continuous improvement programs to address these impacts. These programs shall promote efficient use of energy, water conservation, use and access to water; efficiency in the use of materials, elimination of its impacts on biodiversity, avoid use of hazardous materials, promote waste minimization and improve treatment and control of waste emissions affecting air, water and soil. Supplier shall be able to provide supporting evidence.

2.6 Product Development

2.6.1 Design for Environment requirements

Supplier shall consider environmental aspects in all phases of product development, using, for example, specific Design for Environment tools or checklists. Supplier shall comply with Nokia Networks product environmental requirements (e.g. Nokia Networks Substance List, Environmental Requirements for Nokia Networks products). Choices made during product development phases shall, whenever possible, reduce or eliminate negative environmental impacts. All reasonable attempts shall be made to reduce or eliminate hazardous constituents from the product, to promote efficient use of materials (i.e., to reduce waste), to improve energy efficiency of the product and to promote recycling.

3 Management responsibility

3.1 Company values and business conduct

Supplier shall have an ethical conduct policy, such as a code of conduct, defining how Supplier understands and manages the ethical impacts of its business operations and reflecting its company values and culture. The policy shall reflect respect for human rights and demonstrate commitment to them, to ethical business conduct and to continuous improvement.

Management shall ensure all relevant personnel are trained in and aware of the ethical conduct policy and related practices and risks and shall be able to provide evidence of employee awareness. Records of training shall be kept.

3.2 Environment

Supplier shall have an environmental policy, defining how Supplier manages environmental issues related to its business. The policy shall state a commitment to environmental protection, pollution prevention, compliance with environmental legislation and continuous improvement. Management shall be able to provide evidence of employee awareness.

3.3 Human resources

Supplier shall have a Human Resources policy(ies), defining how Supplier manages its employees. The policy shall be applicable locally and globally, as relevant, and ensure employees are treated with respect and dignity and in compliance with local labor law and recognized international labour standards, i.e. The International Labour Organization (ILO) and relevant United Nations (UN) conventions. The policy(ies) shall cover, for example, recruitment and exit, occupational health and safety and equal opportunity. Where applicable, it shall cover also temporary labor and employees working outside Supplier's premises (e.g., at Nokia Networks's premises). Management shall ensure that the associated Human Resources processes are communicated and understood by Human Resources personnel.

3.4 Programs for improving environmental and ethical performance

Supplier shall set environmental and labor condition requirements (e.g., occupational health and safety, ethical conduct) for its sub-suppliers, including waste handling/recycling sub-suppliers, evaluate their performance and set improvement targets. The requirements shall be aligned

with Nokia Networks' requirements. If a sub-supplier is used for waste disposal, Supplier shall ensure it is appropriately authorized and licensed.

4 Supplier management & purchasing

Nokia Networks expects our suppliers to have a supplier base strategy and supplier base management for their suppliers (vendors, subcontractors, service providers, partners, etc. – sub-suppliers from Nokia Networks' point of view).

A supplier shall identify, evaluate and select its sub-suppliers according to a documented procedure. Selection criteria shall be aligned with the Nokia Networks Supplier Requirements (including environmental and labor condition requirements). Supplier shall have purchase and/or service agreements as well as valid Non-Disclosure Agreements (NDAs) in place with all its sub-supplies, service providers and partners. Any such NDA(s) shall be aligned with supplier's NDA(s) with Nokia Networks.

As a part of Supplier Requirements to the sub-suppliers, a supplier shall also set environmental and labor condition requirements (e.g., occupational health and safety, ethical conduct) for its sub-suppliers, including waste handling/recycling sub-suppliers. They need to evaluate sub-supplier performance and set improvement targets. The requirements shall be aligned with Nokia Networks supplier requirements.

If a sub-supplier is used for waste disposal, the Nokia Networks supplier shall ensure the sub-supplier is appropriately authorized and licensed.

Conflict Minerals due diligence

Suppliers who manufacture components, parts, or products containing tin, tantalum, tungsten, and/or gold shall define, implement and communicate to sub-suppliers their own Conflict Mineral Policy, outlining their commitment to responsible sourcing and legal compliance and measures for implementation. Suppliers shall work with sub-suppliers to ensure traceability of these metals at least to smelter level. Traceability data shall be maintained and recorded for 5 years and provided to Nokia Networks upon request. Once such mechanisms are available, suppliers shall ensure that purchased metals originate from smelters validated by Suppliers as being conflict mineral free.