

Score

0

10.5

2

26

# Corporate Human Rights Benchmark 2020 Company Scoresheet



Company Name Nokia

**Industry** ICT (Supply Chain only)

For indicators

**UNGP Core Score (\*)** 10.5 out of 26

Out of

Governance and	d Policy Comr	nitments
2	2	A.1.1 Commitment to respect human rights
1.5	2	A.1.2 Commitment to respect the human rights of workers
1	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
Embedding res	pect and Hui	man Rights Due Diligence
Embedding	respect	
1.5	2	B.1.1 Embedding - Responsibility and resources for day-to-day
		human rights functions
Human Righ	nts Due Dilige	nce (HRDD)
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying
		human rights risks and impacts
1	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified
		(salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment
		findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the
		effectiveness of actions to respond to human rights risks and
		impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts
		are addressed
Remedies and G	Grievance Me	chanisms
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or
		concerns from workers
2	2	C.2 Grievance channels/mechanisms to receive complaints or
		concerns from external individuals and communities

(\*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

C.7 Remedying adverse impacts and incorporating lessons learned

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

### **Detailed assessment**

### **Governance and Policies**

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	2	The individual elements of the assessment are met or not as follows:  Score 1  • Met: UNGC principles 1 & 2: The Company 'is committed to the principles of The Universal Declaration of Human Rights and the United Nations' Global Compact, and we expect our suppliers and business partners to share these values.' [Global Human Resources Framework, 3/2020: nokia.com]  • Met: UDHR: See above [Global Human Resources Framework, 3/2020: nokia.com] Score 2  • Met: UNGPs: The Company states: 'Nokia is committed to respect and support the Human Rights principles and values laid out in the International Bill of Human Rights (consisting of the Universal Declaration of Human Rights and its related covenants), the International Labor Organization's Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights'. [Third party Code of Conduct, 05/2020: nokia.com & Human rights website, N/A: nokia.com]  • Not met: OECD: The Company state on its People and Planet report that 'We also follow a global transfer pricing policy that is based on the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations issued by the Organisation for Economic Cooperation and Development (OECD). The guidelines outline the arm's length principle as an internationally accepted valuation standard for intercompany dealings. Based on the policy and guidance given by the OECD, we comply with the arm's length principle in all our intercompany dealings. However, this indicator looks for evidence of a commitment to the OECD Guidelines for Multinational Enterprises and no evidence was found on companies report. [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]
A.1.2	Commitment to respect the human rights of workers	1.5	The individual elements of the assessment are met or not as follows:  Score 1  • Met: UNGC principles 3-6: The Company 'is committed to the [] United Nations' Global Compact, and we expect our suppliers and business partners to share these values.' [Global Human Resources Framework, 3/2020: nokia.com]  • Met: Explicitly list ALL four ILO for ICT suppliers: 'Supplier shall ensure that its employment policies are free from'. 'The Supplier shall not engage in or benefit from any use of forced or compulsory labor including prison labor'. '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'. The Code of Conduct states the following: 'Nokia does not tolerate, in any context, the use of servitude, child labor, forced labor, human trafficking, or slavery in our operations in any region in which we operate or in any part of our global supply chain'. [An overview of our supplier requirements on Corporate Responsibility, 1/22/2018: nokia.com & Code of Conduct, 2020: nokia.com]  Score 2  • Met: Explicit commitment to All four ILO Core: The Company has 'a strict policy against using child labor and zero tolerance to all forms of forced, bonded, or imprisoned labor in our own operations and in our supply chain', and that it 'respect[s] the right to collective bargaining and freedom of association'. Company policies also cover non-discrimination. [Modern Slavery Statement 2019, 06/2020: nokia.com]  • Met: Respect H&S of workers: The Company will 'Provide healthy and safe working conditions and promote well-being and fair treatment at work'. [Health, Safety and Labour Conditions Policy, 01/2020: nokia.com]  • Met: H&S applies to ICT suppliers: The Company ensures 'suppliers, contractors and other business partners follow the same standards and place equally high

Indicator Code	Indicator name	Score (out of 2)	Explanation
			priority on health, safety and labor conditions in their operations'. [Health, Safety and Labour Conditions Policy, 01/2020: nokia.com]  • Not met: working hours for workers: The Company states in its Sustainability Report (People and Planet Report): 'We do not permit our people to work more than legally allowed. We define regular working hours in accordance with local laws'. However, no evidence found of references to standard weekly hours or the Company explicitly committing to respect ILO conventions on working hours. [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]  • Met: Working hours for ICT suppliers: The Company requires the following: 'Supplier shall ensure that employees can perform assigned tasks efficiently without exceeding the maximum working hours. [] The normal work week, not including overtime, shall not exceed 48 hours or the maximum hours allowed as per local law whichever is lower. Overtime work shall be voluntary and shall not exceed 12 hours per week or the maximum hours allowed per local law whichever is lower. Supplier shall ensure that employees have at least one day off per sevenday 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'. [An overview of our supplier requirements on Corporate Responsibility, 1/22/2018: nokia.com]
A.1.4	Commitment to engage with stakeholders	1	The individual elements of the assessment are met or not as follows:  Score 1  • Met: Commits to stakeholder engagement: The Company indicates in its  Sustainability Report: 'Upholding human rights is a complex issue that covers not only the technology we provide, but our partners, suppliers and our own operations. Therefore, we strive to continuously learn and improve and believe that engaging with the broader stakeholder community to drive dialogue is the best way forward'. [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com] Score 2  • Not met: Commits to engage stakeholders in design  • Not met: Regular stakeholder design engagement
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Commits to remedy: No commitment to remedy adverse impacts that the Company has caused could be found.  Score 2  Not met: Not obstructing access to other remedies  Not met: Collaborating with other remedy initiatives  Not met: Work with ICT suppliers to remedy impacts: While the Company offers examples of non-compliance in the supply chain and actions taken by supplier, this indicator looks for commitment or work carried out together in collaboration with suppliers to remedy adverse impacts either through the suppliers' own mechanism or through collaborating with them in the development of third party non-judicial remedies. No further evidence found in latest revision. [People and Planet Report 2018, 5/2019: nokia.com]

# **Embedding Respect and Human Rights Due Diligence**

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	1.5	The individual elements of the assessment are met or not as follows: Score 1  • Met: Commits to ILO core conventions: See indicator A.1.2. The Company is committed to the UNGC  • Met: Senior responsibility for HR: According its Sustainability Report: 'Our Chief Marketing Officer (CMO) is responsible for sustainability at the executive management level. During the year, sustainability related topics were reviewed during CMO management team monthly meetings.' Sustainability covers human rights issues. [People and Planet Report (Sustainability Report 2019), 03/2020:  nokia.com] Score 2  • Met: Day-to-day responsibility: In addition, the Company indicates: 'At the operational level, sustainability is managed by the Sustainability team (reporting to CMO), the Ethics and Compliance team and subject matter experts in our business units. The sustainability governance model will be reviewed in 2020 in order to support implementation of the new sustainability strategy.' [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Not met: Day-to-day responsibility for ICT in supply chain
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Identifying risks in own operations: Although the Company reports having a 'rigorous Human Rights Due Diligence (HRDD) process', it seems only focused on potential misuse of the technology', as it identifies that the most salient human rights risks related to our company and business are related to that issue. On the other hand, the Company discloses a table with its 'Human Rights Framework', where it summarizes human rights impacts related to Employees (Labor rights, Health, Safety, Wellbeing, Decent working conditions, Compensation), Technology Misuse (Freedom of expression and privacy), and its Supply Chain (Labor conditions, freedom of expression, compensation, health and safety, corruption). However, no information found describing the process to identify its salient human rights issues (related to labour). [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com & Human Rights Policy update 2019, 12/2019: nokia.com]  Not met: Identifying risks in ICT suppliers: The Company discloses the geographic region where it has found modern slavery risk. No evidence found, however, explaining the process of identification. Additionally, the Company performs audits on its suppliers, but no evidence could be found relating to a system to identify which are the human rights risks in the supply chain (related to labour). [Modern Slavery Statement 2019, 06/2020: nokia.com]  Score 2  Not met: Ongoing global risk identification  Not met: In consultation with stakeholders  Not met: Iriggered by new circumstances
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	1	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Salient risk assessment (and context): The Company discloses the following: 'Assessing the impact of a company's activities requires an honest self-assessment to determine the risk profile of different projects, geographies and industries. Once potential harms have been identified, an assessment of the company's position on the sales that create such risks can be developed.' However, no further information found, including the specific actions carried out to determine saliency of human rights risks related to labour. [Human rights website, N/A: nokia.com]  N/A: nokia.com & People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]  Met: Public disclosure of salient risks: The Company discloses a table with its 'Human Rights Framework', where it summarizes human rights impacts related to Employees (Labor rights, Health, Safety, Wellbeing, Decent working conditions, Compensation), Technology Misuse (Freedom of expression and privacy), and its Supply Chain (Labor conditions, freedom of expression, compensation, health and safety, corruption). [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]  Score 2  Not met: Both requirements under score 1 met
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Action Plans to mitigate risks: The Company provides information about the actions taken after supplier audits, however, no information found about how the Company has taken steps to prevent and/or mitigiate labour-related risks identified through the due diligence process. This indicator looks for a system and examples of actions taken to prevent or mitigate salient human rights risks, rather than correcting non-compliances found. Additional evidence seems to focus in rights not related to labour. [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]  Not met: Including in ICT supply chain  Not met: Example of Actions decided Score 2  Not met: Both requirements under score 1 met

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: System to check if Actions are effective  Not met: Lessons learnt from checking effectiveness Score 2  Not met: Both requirement under score 1 met
B.2.5	Communicating: Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Comms plan re identifying risks: In order to be awarded this indicator, the Company needs to achieve at least 1,5 points in B.2.1  Not met: Comms plan re assessing risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2  Not met: Comms plan re action plans for risks: In order to be awarded this indicator, the Company has to achieve a full score in B.2.3  Not met: Comms plan re reviewing action plans: In order to be awarded this indicator, the Company has to achieve a full score in B.2.4  Not met: Including ICT suppliers: In order to be awarded this indicator, the Company has to achieve a full score in B.2.2/B.2.3/B.2.4 and at least 1,5 points in B.2.1  Score 2  Not met: Responding to affected stakeholders concerns  Not met: Ensuring affected stakeholders can access communications

### **Remedies and Grievance Mechanisms**

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mec hanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows:  Score 1  • Met: Channel accessible to all workers: The Company describes the following:  'Nokia provides multiple channels to raise a concern. You may talk to your line manager, Legal and Compliance, Human Resources, or local Ombud's leaders, or raise a concern via the Ethics Helpline – which can be accessed via the EthicsPoint helpline icon on your desktop, by calling the helpline, or via the Nokia Code of Conduct mobile app. You may also write to our CEO or our Board of Directors. All concerns, irrespective of the channels used to report, are handled confidentially and thoroughly investigated.' [Code of Conduct, 2020: nokia.com]  Score 2  • Not met: Number grievances filed, addressed or resolved: The Company reports: 'In 2019, our Ethics & Compliance Office received 994 concerns of which 289 were investigated as alleged violations of our Code of Conduct and 106 allegations were substantiated with "cause found" after investigations.' In addition, it details that 1 report was related to human rights, 27 to 'Wellbeing, health, safety and environment', and 64 to 'Working with suppliers'. However, it is not clear how many of the human rights ethical concerns were addressed or resolved. [People and Planet Report (Sustainability Report 2019), 03/2020: nokia.com]  • Met: Channel is available in all appropriate languages: The online channel is available in several different languages. [Ethics Point Nokia, N/A: secure.ethicspoint.com]  • Met: Opens own system to ICT supplier workers: The Company indicates in its People and Planet Report that its Helpline ' is open for employees and external stakeholders.' The EthicsPoint website includes an option to file a grievance against external third parties. [People and Planet Report Conton) (Sustainability Report 2019), 03/2020: nokia.com]
C.2	Grievance channel(s)/mec hanism(s) to receive complaints or concerns from external individuals and communities	2	The individual elements of the assessment are met or not as follows:  Score 1  • Met: Grievance mechanism for community: The Company offers the same channels described in C.1 to external stakeholders. It offers 'we offer multiple channels to both our internal and external stakeholders to report potential ethical concerns or violations to the mentioned policies by providing an email address, an online tool and, also by providing dedicated country-specific phone numbers.'  [Modern Slavery Statement 2019, 06/2020: nokia.com]

Indicator Code	Indicator name	Score (out of 2)	Explanation
			Score 2  • Met: Describes accessibility and local languages: The website, also accessible to external stakeholders, is available in multiple languages. [Ethics Point Nokia, N/A: secure.ethicspoint.com]  • Met: ICT supplier communities use global system: The Company indicates in its People and Planet Report that its Helpline ' is open for employees and external stakeholders.' The EthicsPoint website includes an option to file a grievance against external third parties. [Modern Slavery Statement 2019, 06/2020: nokia.com & Ethics Point Nokia, N/A: secure.ethicspoint.com]
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Describes how remedy has been provided  Not met: Says how it would remedy key sector risks  Score 2  Not met: Changes introduced to stop repetition  Not met: Approach to learning from incident to prevent future impacts  Not met: Evaluation of the channel/mechanism

# Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		Headline: Apple and others named as supplier North Mara Gold Mine faces allegations of pollution and violence in Tanzania  Area: Right to security Story: On June 18th, 2019, news outlets in several countries simultaneously released the results of investigations by a consortium of journalists, Forbidden Stories, into human rights and environmental abuses at Barrick Gold's North Mara gold mine in Tanzania, confirming six years of investigations, reported on yearly by MiningWatch Canada, into assaults on men, women and children by the mines private security and by police contracted by the mine. There have been injury cases including loss of limbs, loss of eyesight, broken bones, and internal injuries. Additionally, the consortium highlighted attacks on journalists who have tried to report on human rights abuses at the mine. At least a dozen local and foreign reporters were censored or threatened, and this is why Forbidden Stories has decided to investigate Acacia Mining's activity in the mine. The consortium also exposed how the gold from this mine is refined in India and Switzerland before being sold to, among others, international electronic companies. In June 2019, at the annual shareholders meeting, human rights campaigners called for independent and transparent assessment of grievance claims and an end to the memorandum of understanding with police.  Sources: [The Guardian - 18/06/2019: theguardian.com][The Guardian - 18/06/2019: theguardian.com][Ghana Business News - 19/06/2019: ghanabusinessnews.com]
E(1).1	The Company has responded publicly to the allegation	1	The individual elements of the assessment are met or not as follows:  Score 1  • Met: Public response available: According to the Guardian, 'Nokia said it would contact the refinery and industry regulators. "Based on allegations we have also directly reached out to MMTC-PAMP and are awaiting a response. We will follow up on information received, to determine further action, and if allegations are confirmed, this smelter will be red-flagged and we will ask our supply chain to divert business from this smelter." [Tech firms to check suppliers after mining revelations in Tanzania, 18/06/2019: <a href="mailto:theguardian.com">theguardian.com</a> ] Score 2  • Not met: Response goes into detail
E(1).2	The Company has appropriate policies in place	1	The individual elements of the assessment are met or not as follows:  Score 1  • Met: Company policies address the general issues raised: The Company has a commitment to the Universal Declaration of Human Rights, which contains policy on security. [Global Human Resources Framework, 3/2020: nokia.com & Human Rights Policy update 2019, 12/2019: nokia.com]  • Met: Policies apply to the type of business relationships involved: The Company expects suppliers to share the same values. [Global Human Resources Framework, 3/2020: nokia.com & Human Rights Policy update 2019, 12/2019: nokia.com]  Score 2  • Not met: Policies address the specific rights in question
E(1).3	The Company has taken	0	The individual elements of the assessment are met or not as follows:  Score 1  Not met: Engages with affected stakeholders

<b>Indicator Code</b>	Indicator name	Score (out of 2)	Explanation
	appropriate		Not met: Provides remedies to affected stakeholders
	action		Not met: Has reviewed management systems to prevent recurrence
			Score 2
			Not met: Remedies are satisfactory to the victims
			Not met: Has improved systems and engaged affected stakeholders

#### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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As WBA, we want to emphasise that the results will always be a proxy for good human rights management, and not an absolute measure of performance. This is because there are no fundamental units of measurement for human rights. Human rights assessments are therefore necessarily more subjective than objective. The Benchmark also captures only a snap shot in time. We therefore want to encourage companies, investors, civil society and governments to look at the broad performance bands that companies are ranked within rather than their precise score because, as with all measurements, there is a reasonably wide margin of error possible in interpretation. We also want to encourage a greater analytical focus on how scores improve over time rather than upon how a company compares to other companies in the same industry today. The spirit of the exercise is to promote continual improvement via an open assessment process and a common understanding of the importance of the UN Guiding Principles on Business and Human Rights.

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