Nokia Oyj (Nokia)

TICKER
NOKIA

MARKET CAPITALIZATION
US$31.3 billion

HEADQUARTERS
Finland

DISCLOSURES

UK Modern Slavery Act: Yes

California Transparency in Supply Chains Act: No

Australia Modern Slavery Act: Yes

OVERALL RANKING

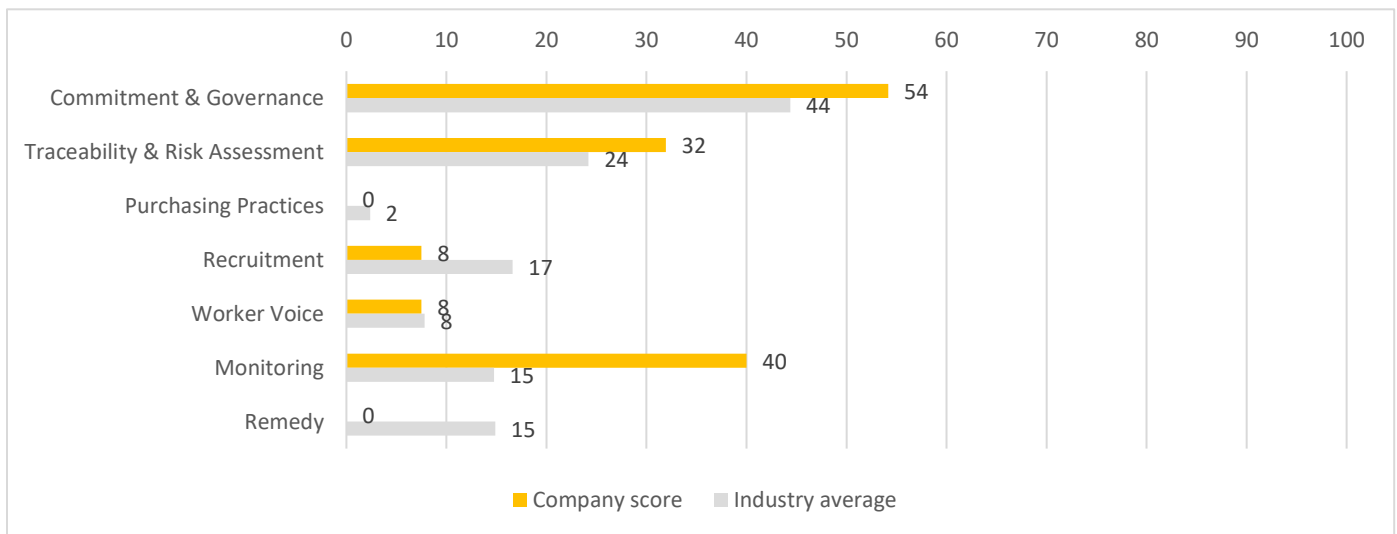**22** out of **60**

(2020 Rank: 13 out of 49)

OVERALL SCORE

22 out of **100**

THEME-LEVEL SCORES

Theme	Company score	Industry average
Commitment & Governance	54	44
Traceability & Risk Assessment	32	24
Purchasing Practices	0	2
Recruitment	8	17
Worker Voice	8	8
Monitoring	40	15
Remedy	0	15

KEY DATA POINTS

SUPPLIER LIST
Yes (Names only, not addresses)

NO-FEE POLICY
Yes (Employer Pays Principle)

RISK ASSESSMENT
Yes

REMEDY FOR SUPPLY CHAIN WORKERS
⚑ No

ENGAGED WITH KNOWTHECHAIN[1]
⚑ No

HIGH-RISK SOURCING COUNTRIES
⚑ China and Malaysia

ALLEGATIONS OF FORCED LABOUR
⚑ Yes

SUMMARY

Nokia Oyj (Nokia), a communications equipment company, ranks 22nd out of 60 companies. Since 2020, the company improved on the theme of Recruitment as it strengthened its policy prohibiting worker-paid recruitment fees. However, the company did not disclose improvements across other themes. The company performed particularly poorly on the themes of Purchasing Practices and Remedy. As such, the company's rank dropped by 9 places.[2] KnowTheChain identified one allegation of forced labour in the company's supply chains.[3] The company is encouraged to improve its performance and disclosure on the themes of Purchasing Practices, Recruitment, and Remedy.

LEADING PRACTICES
None.

OPPORTUNITIES FOR IMPROVEMENT

Purchasing Practices: To address forced labour risks in its supply chains, the company is encouraged to adopt purchasing practices that decrease the risk of forced labour, such as improving planning and forecasting and prompt payment. The company may further consider separating labour costs from price negotiations such that all direct and indirect labour costs are isolated and incorporated as a distinct costing block in pricing. The company should consider integrating responsible buying practices in its contracts with suppliers, to ensure that the responsibility for respecting human rights is shared.

Recruitment: While the company discloses a policy that prohibits worker-paid recruitment fees in its supply chains, it is encouraged to disclose how it ensures the implementation of its policy through the prevention of fees in its supply chains: such as through mapping of migration corridors and labour agencies used by suppliers, specialised monitoring for fees, and evidence of supplier payment of fees to labour agencies directly. To avoid the exploitation of migrant workers in its supply chains, the company may also consider providing details of how it supports responsible recruitment in its supply chains (for example, by sharing due diligence findings on recruitment fees with peers or by creating demand for responsible recruitment agencies). The company is further encouraged to disclose information on the recruitment agencies used by its suppliers.

Remedy: The company may consider establishing a process to ensure that remedy is provided to workers in its supply chains in cases of forced labour and disclosing details on this process, such as responsible parties, approval procedures, timeframes, and, crucially, engagement with affected stakeholders. To demonstrate to its stakeholders that it has an effective remedy process in place, the company is encouraged to disclose examples of remedy provided to its suppliers' workers, including in the case of allegations.

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[1] For further details on high-risk raw materials and sourcing countries, see KnowTheChain's 2022 ICT benchmark findings report. Research conducted through June 2022 or through September 2022, where companies provided additional disclosure or links. For more information, see the full dataset here. For information on a company's positive and negative human rights impact, see the Business & Human Rights Resource Centre website.

[2] KnowTheChain's 2022-23 benchmarks use a revised methodology which prioritises a focus on the implementation of policies and processes and the outcomes they result in, as well as integrating a stronger focus on stakeholder engagement. See here for more information.

[3] For more information on the allegations, and the disclosures the company made about its response to those allegations, see the full dataset here.