

hmd.

A clear plastic bottle is positioned on the left side of the image, set against a teal background. The bottle is empty and has a textured surface. Its reflection is visible on the surface it sits on. The background features a large, abstract, circular shape that resembles a ripple in water or a lens flare, creating a sense of depth and movement.

Sustainability report

Covering fiscal year 2021
HMD Global Oy

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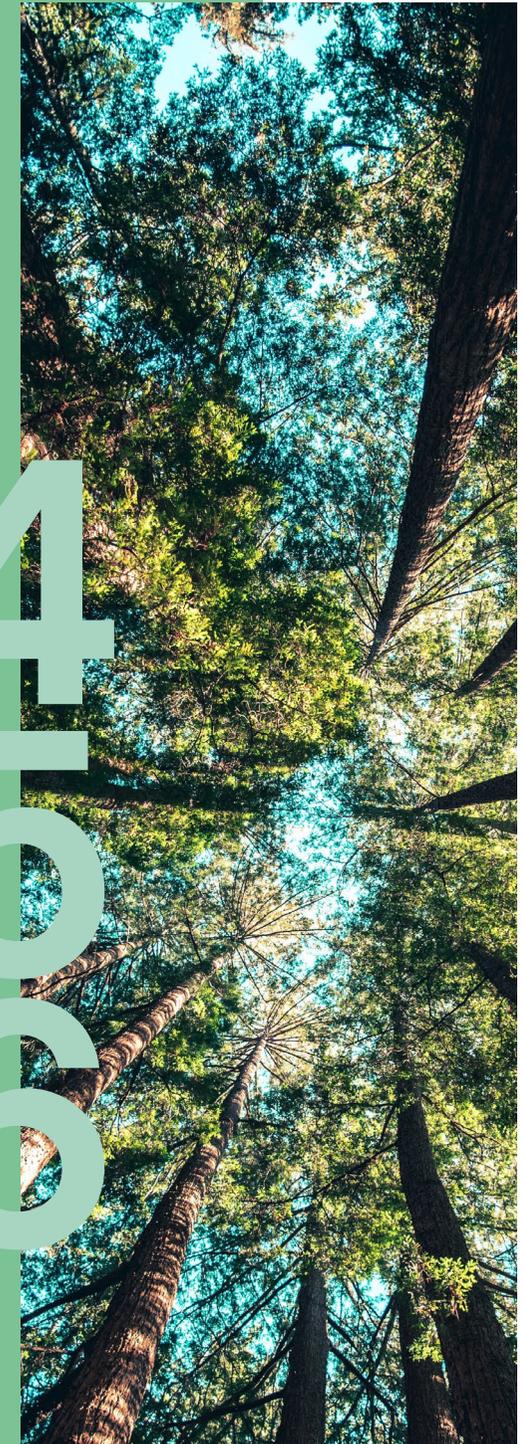
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Jean-François Baril
Executive Chairman

Letter from the Executive Chairman

2021 was another year of change, however our commitment to taking care of the planet and our people has not wavered. We continued to design phones that consumers love, are secure and can be kept for longer. We call it our 'love it, trust it, keep it' brand promise. As our operations grow, we pledge to keep true to this ethos to minimise damage to the environment and act responsibly – something we care deeply about – alongside our suppliers and retail partners.

In 2021 we spent time measuring our carbon footprint in preparation for 2022 when we announced our Environmental, Sustainability and Governance (ESG) strategy for the next few years. We continued to audit our supplier's operations, extending to Vietnam and India. As part of our ESG strategy, we plan to include clear goals for our manufacturing partners to hold them to an even higher standard as we seek to reduce our greenhouse gas emissions across our value chain.

Our packaging now has a larger proportion of recycled materials and we removed chargers and earbuds from some of our newer devices to keep unnecessary e-waste out of landfill. We expanded our partnership with Ecologi beyond the UK into Germany, Italy and the Netherlands, planting over 341,122 trees to date. HMD recently received a Platinum Award in recognition of these efforts by EcoVadis, up from Gold last year, placing us in the top 1% for our industry. It's an accolade we couldn't be prouder of.

Ultimately, people are at the core of our business. Without them, we can not continuously learn, improve and make significant progress with our ESG efforts. We thank each and every one of our employees for their contribution in 2021, for continuing to play their part supporting our goals. I look forward to building on our success as we enter a new phase of continual commitment towards reducing our impact on the environment and improving upon our sustainability and governance efforts.

Jean-François Baril
Executive Chairman
September 2022

About HMD Global

hmd.

Executive summary

This report outlines HMD Global's commitment to people, the planet and governance in line with the Global Reporting Initiative (GRI). Good progress was made in 2021, one year on from HMD Global's first GRI report.



ISO9001 certification

ISO14001 certification

ISO 27001 in 2022



Published ECO rating profiles for all devices

100% of suppliers complied with our Supplier Code of Conduct

hmd.

paid into pension schemes in 2021

41

In 2021, HMD Global conducted Corporate Social Responsibility audits across its global manufacturing operations - 2 in India, 9 in China and 1 in Vietnam

12

05

2021 Timeline

January

Reached **Top 5** position for the combined mobile phone market volume market share in 2021 for 41 countries including Finland, Germany, the UK, Africa, Central and Latin America, the Middle East, United Arab Emirates, Australia, Vietnam and Hong Kong
(Source: IDC Mobile Phone Tracker 2021)

April

Introduced **hmd. mobile** (MVNO), our first mobile connectivity service in the UK, in partnership with EE
Launched **X10 and X20** without chargers in the box in Europe

May

Launched **hmd. enable pro** an Enterprise Mobility Management solution for IoT, providing a one-stop-shop for reliable connectivity for Enterprise

June



Awarded a Gold medal by EcoVadis for our commitment to sustainability, up from silver in 2021, placing us in the **top 6%** for our industry (we went on to receive the highest level, Platinum, in 2022, putting us in the top 1%)

July

Released the **XR20**, the most durable smartphone we've ever made along with increased privacy and protection for users with Express Virtual Private Network (VPN) and unveiled a new accessories range

Joined the European Take Back programme for end of life device recycling, which is now available in **32 countries**

August

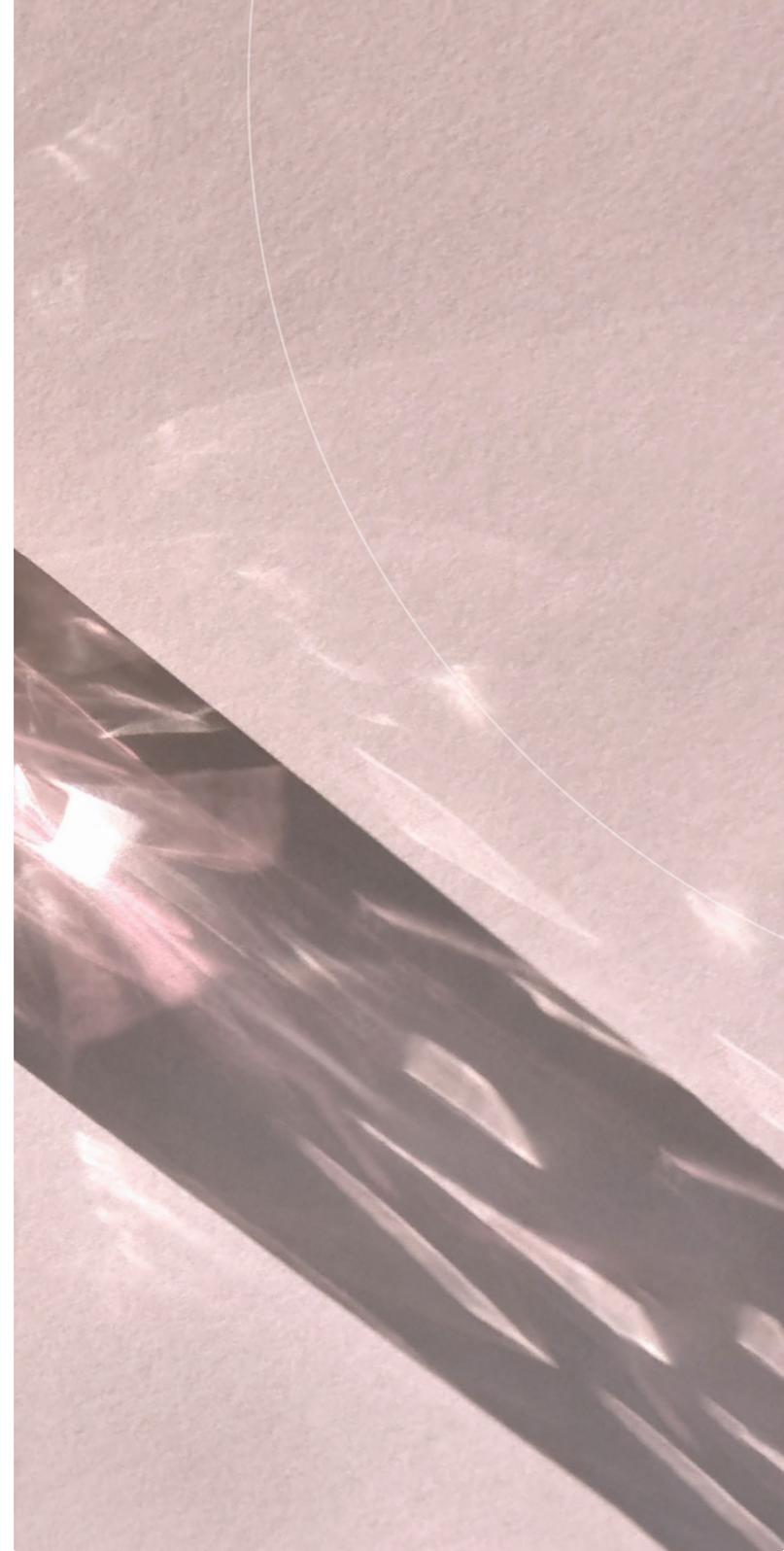
Submitted our first Communication on Progress (COP) report to the UNGC on our sustainability practices

October

Released our first tablet, the **Nokia T20**, with a long-lasting battery

December

Published our first public-facing **Sustainability Report for 2020**



About HMD Global

HMD Global Oy has been manufacturing Nokia branded devices since it was established as a privately held company in 2016. We are headquartered in Espoo, Finland. In 2021, we employed 813 people across 47 offices internationally.

We offer dependable designs made to last with regular updates that continually improve performance and security. Our range offers choice and reliability from feature phones to smartphones, as well as tablets and Enterprise services.

Our products and services are driven by the needs of our customers. They tell us that they want three things: products and services they can fall in love with, devices they trust to be secure, and that they can keep for a long time. We call it the 'love it, trust it, keep it' principle, and it drives everything we do.



We have a longstanding track record for hard-wearing and long-lasting mobile phones. In 2021 we introduced a new product naming convention to simplify how we communicate with consumers. We also expanded our range of products and services to include tablets and accessories, as well as Enterprise services.

In 2020, we released a fully global roaming platform for businesses called HMD Connect Pro which had strong adoption in 2021. In early 2021 we also launched HMD Enable Pro, an Enterprise Mobility Management solution for IoT, providing a one-stop-shop for reliable connectivity for Enterprises. We also introduced HMD Mobile (MVNO), our first mobile connectivity service in the UK, in partnership with EE. In 2021 we served a wide range of customers from the entry to smart segment, as well as Enterprises.

Our phones have been activated in over 200 countries worldwide. We are proud to manufacture devices that are known for design and dependability – and to have that ethos extend into new service lines and territories in 2021.



In 2021, HMD Global operated out of 47 office locations in the following cities and countries:

1. Mexico City, Mexico
2. Bogota, Columbia
3. Miami, USA
4. Seattle, USA
5. Senzhen, China
6. Beijing, China
7. Taipei, Taiwan
8. London, UK
9. Espoo, Finland
10. Tampere, Finland
11. Gurgaon, India
12. Bangalore, India
13. Mumbai, India
14. Kolkata, India
15. Delhi, India
16. Vienna, Austria
17. Warsaw, Poland
18. Budapest, Hungary
19. Bucharest, Romania
20. Sofia, Bulgaria
21. Ratingen, Germany
22. Madrid, Spain
23. Rome, Italy
24. Milan, Italy
25. Athens, Greece
26. Istanbul, Turkey
27. Kapelle-op-den bos, Belgium
28. Gravenhage, The Netherlands
29. Paris, France
30. Beirut, Lebanon
31. Dubai, United Arab Emirates
32. Johannesburg, South Africa
33. Nairobi, Kenya
34. Lagos, Nigeria
35. Karachi, Pakistan
36. Casablanca, Morocco
37. Cairo, Egypt
38. Jakarta, Indonesia
39. Ho Chi Minh City, Vietnam
40. Melbourne, Australia
41. Singapore, Singapore
42. Kowloon, Hong Kong
43. Copenhagen, Denmark
44. Moscow, Russia
45. Manila, Philippines
46. Dhaka, Bangladesh
47. Kuala Lumpur, Malaysia

In 2021, we closed four offices including Mexico City, Milan, Athens and Beirut in order to streamline operations and maintain focus on our core regions. This meant that by the end of 2021 HMD Global operated from 43 offices.

Products and Services

HMD offers a range of Nokia branded products and Enterprise services running Android operating systems for both consumers and businesses.

A complete set of products and services are outlined below:

Hardware

Smartphones
Featurephones
Tablets
Accessories

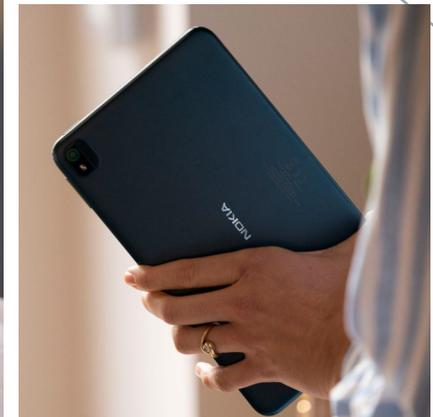
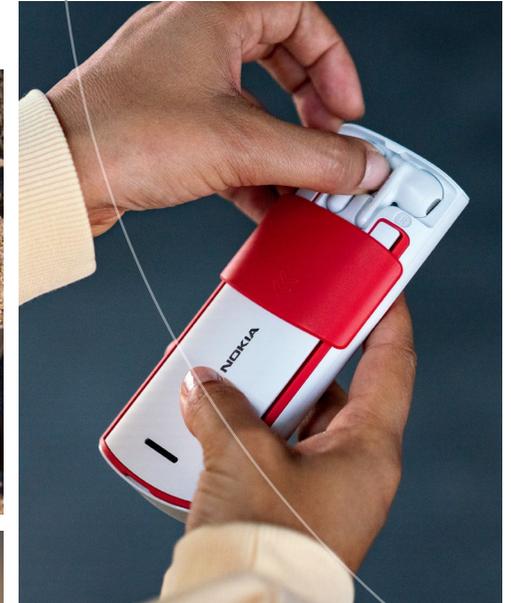
Consumer Services

Extended warranty
Insurance
**hmd.
mobile**
**hmd.
connect**
**hmd.
softlock**

Enterprise Services

Extended warranty
Insurance
**hmd.
connectpro**
**hmd.
enablepro**
**hmd.
extendpro**
**hmd.
softlock**

HMD Global Oy is the exclusive licensee of the Nokia brand for phones and tablets. Nokia is a registered trademark of the Nokia Corporation.



Sustainability Strategy and Governance

Our mission is simple – to connect the world without costing the earth. This means that every Nokia device and service is built on the principles of refined design and reliability, regardless of the customer it is made for.

Hardwearing products that are built to last with parts that can be recycled, as well as a robust software and security upgrade programme, has given us a reputation for sustainability. We are always looking for new and innovative ways to improve and find greater efficiencies to lessen our impact on the environment.

We have maintained our ISO9001 certification for our quality management system, and ISO14001 for our environmental management system. We achieved ISO 27001 in 2022, and aim to be ISO45001 certified by the end of 2023.

We have extended our commitment to sustainability management by continuing to have our sustainability working group meet every month, as well as introducing a steering committee which meets quarterly to oversee progress. The workgroup is formed of senior managers and directors across all business functions, including human resources, marketing, supply chain, quality management, design and finance.

The steering committee includes the head of each region as well as members of the Leadership Team.

The workgroup has been working on measuring our carbon footprint as an organisation and developing our ESG strategy and monitoring governance issues.

... new and innovative ways to improve

... lessen our impact on the environment.



In 2022, we intend to announce our overall ESG strategy and goals for the coming years.

In 2021 we were awarded a Gold Medal by EcoVadis for our sustainability efforts – up from Silver in 2020.

In 2022, we were upgraded to Platinum, the highest accolade possible and something we are incredibly proud of, placing us in the **top 1%** for our industry. Since 2020, we have been part of EcoVadis, GRI and CDP.

We also publish environmental profiles for all of our products on our website as part of Ecorating.

Stakeholder Engagement

Meeting our stakeholder's expectations and needs regarding sustainability is essential to our business, as is working alongside them collaboratively to achieve our goals. We openly communicate with stakeholders to foster transparency and trust.

We actively engage with internal stakeholders through workshops to seek their input on which material topics to include in this report. We aim to continuously improve our ways of communicating with stakeholders to ultimately improve the impacts of our actions.

For future reports, we aim to incorporate feedback provided by external stakeholders. Below is an overview of our stakeholders and how we engage with them:

Stakeholders

	 Customers	 Partners	 Shareholders & investors	 Employees	 Suppliers
Key topics & interests	Product and service quality, product safety & reliability, requirements, correctness of information, confidentiality	Product and service quality, on-time delivery, brand reputation	Financial performance, risk management, CSR	Workplace health and safety, training and career development, employment stability, competitive pay and benefits, work-life balance, labour relations, corporate reputation	Fair Trade membership, respectful business partnerships, shared growth, labour & human rights protection
Engagement channels	Care centres, calls, emails, Nokia Community Customer, customer satisfaction surveys, contracts, company web page and social media	Regular meetings, workshops, partner communication letters, contracts	Investor meetings, board meetings, launch events	Work council, town halls, employee satisfaction surveys, Speak-up channel, newsletters, training, performance reviews, online social events	Speak-up channel, requests for proposals, purchase agreements, regular meetings, emails, phone calls, workshops, contracts, our Supplier Code of Conduct (SCoC)
Actions taken to address stakeholder concerns	We provide easy to access product and service information and address customer feedback. We offer competitive pricing and are industry leading for our hardware and software reliability. We also have certified management systems in place, many of which are ISO accredited	We have enhanced partnerships that aim for joint growth	We showed improved ROI and profit generation in 2021. We have robust risk management and run regular supplier base audits to ensure CSR compliance	We have implemented work/life balance improvements. We host regular "Town Hall" meetings. We invest in employee career development, conduct compensation benchmarking, diversity and gender equality promotion	We joined Fair Trade and growth promotion. We have clear contracts and POs. We actively work to build trust and conduct regular CSR audits to ensure compliance with our SCoC



Stakeholders

	 Financial institutions	 Governments, regulatory bodies and specialised institutions	 Media/ analysts	 Competitors
Key topics & interests	ROI, corporate reputation, business ethics	Compliance, health & safety, Fair Trade	Transparent and on time disclosure of information	Product information
Engagement channels	Regular meetings	Meetings, communication including letters and emails	Press releases, comments, interviews and social media	Press releases, market trends
Actions taken to address stakeholder concerns	We are audited, have efficient and accurate payments processes and ensure that we have up to date policies in place	We monitor new regulations and laws and ensure that policies are in place and maintained	Communicate with the media via press releases and interact with the media at events	We conduct market analysis and benchmarking.

Materiality Assessment

HMD continued to use the materiality assessment that was established in 2021. Our management approach as well as material topics are outlined below:

 Environment		 People	
Material topic	Management approach	Material topic	Management approach
Materials used in the product life cycle	We aim for a closed-loop system that recycles and/or harvests as many materials as possible	Working conditions	We provide safe working conditions in line with the International Labour Organisation (ILO). We give our staff competitive pay as well as additional benefits such as a bonus, pension, health insurance. We conduct an annual employee satisfaction survey each year.
Energy use in our offices	We train our staff in awareness and implement carbon emissions monitoring, energy efficiency and emission reduction initiatives. There is also a global environmental, health and safety policy in place.	Non-discrimination	There is a whistle-blower mechanism in place. We have comprehensive contracts in place with our suppliers. We run regular corporate social responsibility (CSR) audits.
Greenhouse gas emissions	We appointed an accredited third-party to measure our carbon footprint including our Scope 3 emissions, and established a clear process for measurement in the future. We trained our staff in awareness and implemented carbon emissions monitoring, energy efficiency and emission reduction initiatives. There is also a global environmental, health and safety policy in place.	Human rights	We have undertaken a human rights risk assessment. There is a whistle-blower mechanism in place. We have comprehensive contracts in place with our suppliers. We run regular corporate social responsibility (CSR) audits.
Compliance	Our management system is ISO14001 certified. We always ensure compliance with all applicable regulations and laws.	Freedom of association & collective bargaining	We have comprehensive contracts in place with our suppliers. We run regular corporate social responsibility (CSR) audits.
		Child labour	We have a zero tolerance policy when it comes to child labour, we have comprehensive contracts in place with our suppliers. We run regular Corporate Social Responsibility (CSR) audits.
		Forced & compulsory labour	We have comprehensive contracts in place with our suppliers. We run regular CSR audits.
		Talent management	We attract, develop, retain and reward high-performing talent through structured training programmes and career development plans.
		Occupational health & safety	We are aiming for ISO45001 certification for our health and safety management system in 2023.
		Diversity & equal opportunities	We promote workplace diversity and give equal opportunities to all staff. We provide religious facilities as well as provide access for the disabled. To ensure this we have clear policies in place.



Integrity

Material topic	Management approach
Anti-corruption: doing business right	We have an anti-corruption policy in place. We run awareness regular training, risk assessments and internal audits. We also have internal control mechanisms as well as a whistle-blower mechanism. We have zero tolerance for bribery and corruption.
Compliance: local and global environmental regulations	We ensure compliance to all applicable regulations and laws.
Anti-competitive behaviour	We have policies in place. We comply with antitrust laws (US) and competition acts. We run awareness training as well as regular risk assessments and audits. We also have internal control mechanisms as well as a whistle-blower mechanism
Personal data protection	We are ISO27001 certified. We have implemented an information management system and have policies in place.
Product quality	Our quality management system is ISO9001 certified.
Customer health & safety	We comply with product and safety regulations and have robust control processes in place to minimise the impact of any potential situation.
Compliance	We comply with all applicable regulations. Our product development requirements go beyond the legally required levels.
Supplier assessments	We have sustainable procurement policies and processes in place. We also conduct regular CSR audits.
Conflict minerals	We have a conflict mineral policy in place which all of our suppliers adhere to as part of our contractual agreements. We also require affected suppliers to send CMRTs - an industry standard reporting template that discloses smelter information gathered for their supply chain.

All of our key policies are published online at www.hmdglobal.com including:

- Code of conduct
- Supplier code of conduct (SCoC)
- Environmental, health & safety policy
- Human rights and labour policy
- Anti-bribery and anti-corruption policy
- Anti-discrimination and anti-harassment policy
- UK modern slavery act statement

We also have a Speak-up channel for anyone, internal or external, to report any violations of these policies [here](#).

02

People

02

Working at HMD Global

There is no greater asset than our people. In 2021, we employed 813 people across 47 countries. Every full time employee receives fair and competitive pay, as well as access to key benefits including a pension and a bonus.

Ensuring all our employees and suppliers operate in a safe, responsible and secure environment is a top priority. We adhere strictly to local employment and labour laws in every country we operate in. These include minimum wage requirements, maximum working hours and minimum rest days regulations as well as immigration and collective bargaining and freedom of association laws. Our Human Rights and Labour policy and Code of Conduct clearly outlines our approach, guidelines, procedures and standards.

Our employees are fairly compensated for their work in line with all applicable wage laws including overtime and legally mandated benefits. We operate within the International Labour Organisation (ILO) guidelines for working hours where laws and regulations are insufficient.

We encourage and expect our contractors and suppliers to respect and follow local laws and regulations. Where local laws, or enforcement of those laws, is weaker than the Electronic Industry Citizenship (EICC) Code of Conduct, we ask and expect our contractors and suppliers to follow the standards set by the EICC.

HMD is a family-friendly company. We support parents by providing parental leave for all staff to spend time with their new baby. In 2021, 15 employees took parental leave (0 male and 15 female). 11 of these employees returned to work during the reporting period.

Our employees are entitled to flexible work arrangements including remote work and flexi-time (unless their role requires site or office presence). In 2021 810 employees were employed on a full time basis and 3 on a part time basis. 2 of the part-time employees were employed on a temporary basis. Of the three part-time employees, 2 were based in Finland and 1 in Hungary.

Throughout the COVID-19 pandemic, we have ensured that requests to work from home, where possible, were met in line with local guidelines. During this time, a small number of employees have been required to be in, but HMD has supported their wellbeing by following local health guidelines.

HMD offers its staff a discretionary bonus scheme based on company performance once they pass their three month probationary period. In 2021, HMD was in a position to issue these bonuses to all eligible employees.



We offer a pension scheme in every country that HMD operates in. For countries where there is no mandated state pension scheme, HMD contributes to private schemes to ensure that all employees receive pension contributions. In America, for example, we contribute to the 401K scheme that all employees are eligible to join. In 2021, HMD contributed to 41 pension schemes.

To ensure the wellbeing of our staff, we conduct a staff satisfaction survey every year. In 2021, the results showed that employees are generally motivated, happy and engaged as well as feel comfortable and safe to express their opinions with management.

Our employees have the right and freedom of association, peaceful assembly, protest and have the right to collective bargaining. Everyone should feel empowered to communicate honestly with management regarding working conditions without fear of discrimination, harassment, intimidation, penalty or reprisal as a consequence. Our suppliers follow the same principles and allow their workers to freely associate with the right to collective bargaining. In 2021 all employees based in Finland, Belgium, Austria, Italy and France were covered by collective bargaining agreements.

Recruitment Principles

Attracting the very best talent to work at HMD is critical to our business. We have clear and transparent recruitment principles which are always communicated to potential candidates to ensure equal access and diversity.

These include:

- Recruitment procedures shall be fair and transparent while complying with the legal requirements of the country HMD operates in
- HMD seeks to recruit the best candidate for each role. The recruitment and selection process should ensure the identification of personnel who are competent to carry out the tasks that they are employed for
- There shall be no discrimination on the grounds of religion, ethnicity, gender, sexual orientation, disability or other factors such as marital status or political opinions
- HMD will comply with all applicable labour requirements and international labour standards
- HMD will ensure that the recruitment and selection of staff is conducted in a professional, timely and responsive manner. HMD will provide appropriate training, development and support to those involved in recruitment and selection activities to meet this core principle
- If a member of staff involved in the recruitment process has a close personal or familial relationship with an applicant, they must declare this as soon as they are aware of the individual's application and avoid any involvement in the recruitment and selection decision-making process
- All documentation relating to applicants will be treated confidentially and in compliance with the personal data protection and privacy laws

In 2021, 160 new employees joined: 105 male and 55 female. An overview of new hires and their ages and gender can be seen below:



Employee Engagement

Communication is at the heart of employee engagement at HMD. To maintain regular communication with our employees, we hold regular global and regional 'Town Hall' meetings. This is where our leadership team presents details on our commercial performance, new products and services as well as updates on global announcements and business processes. We use these meetings to also celebrate success and highlight key milestones achieved by the team. In 2021 we held 6 'Town Hall' meetings.

We are not a hierarchical organisation. We operate an 'Open Door' policy where employees are encouraged to make suggestions, highlight issues and present solutions to our leadership team.



Performance Management

We promote a culture of learning at HMD. To help employees perform at their best, we facilitate bi-annual performance reviews for all employees on a fixed term contract. We identify and organise role-specific training for each employee. Training is conducted both internally and externally, as well as on the job learning.

If, for any reason, an employee must be dismissed, HMD always aims to make the transition as beneficial to the dismissed employee as possible. This includes offering coaching and training to promote employment, paid for by the employer, in Finland.

Talent Management

HMD runs a robust talent management programme, alongside its training and development, to attract, develop, retain and reward high performing talent. We provide individual structured training programmes and career development plans focused on strengths, ways of working and collaboration.

We recognise each employee for their contribution to the business, not just commercial performance. We have a track record for spotting exceptional talent and promoting these individuals into key roles. We always opt for promoting internal talent where we can before looking externally for candidates. We are known for offering excellent opportunities for our employees globally.



Staff Retention

Some level of attrition is natural for any business. However, we work hard to ensure that any new hires we bring on have the skills needed to thrive at HMD Global.

14%

In 2021 our attrition rate was in line with our industry at 14%.

Our robust approach to talent management, performance monitoring and training is a key factor in helping our employees to achieve their best, maintain focus and motivation.

Human Rights & Actions Against Child and Forced Labour

At HMD, we are committed to the Universal Declaration of Human Rights. Our labour and human rights strategy is closely aligned with the United Nations Guiding Principles on Business and Human Rights, The International Labour Organisation's Declaration of Fundamental Principles and Rights at Work, The Electronic Industry Citizen Coalition (EICC) Code of Conduct and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

To ensure that these principles are adhered to every day, we have implemented several steps. Firstly, we conducted a human rights risk assessment for all our business units in 2020. This enables us to compile a global risk map that highlights any potential risks, root causes and mitigation measures. We then translated these principles into several internal policies that cover all of HMD's legal entities and apply to all employees as well as partners working on our behalf. These include our Code of Conduct, our Human Rights and Labour Policy and HMD's statement regarding the UK's Modern Slavery Act.



These documents set out a framework that ensures the protection of human rights throughout our value chain. They outline our contempt for modern slavery as well as child and forced labour and emphasize people's right to free speech, freedom of assembly and privacy. As an employer of choice, we forbid any forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or human trafficking at our sites or those of our suppliers. As part of our commitment to the UK Modern Slavery Act, we publish a statement of our action plans, progress and challenges annually.

We do not condone child labour and therefore no one under the working age within local regulations is employed by HMD or our suppliers. Where local regulations are not in place, we determine the minimum working age to be 15 or after compulsory education, whichever is greater. This is to ensure that young workers are protected from potentially harmful work tasks and do not work nighttime hours.



Our Original Design Manufacturing (ODM) partners are located mainly in China. We conduct regular Corporate Social Responsibility (CSR) audits to ensure that no child labour occurs in the region. We have zero tolerance for such activity. In 2021 we were pleased to report that we had no child or forced labour incidents found from our audits with our manufacturing partners.

To raise awareness of these risks with employees, we also rolled out a Code of Conduct for all staff and a Speak-up Channel along with training. The training ensured that everyone was made aware of the potential risks and pointed them to our whistle-blower mechanism through which any human rights incidents can be reported.

We fully support all acts of whistle-blowing. Anyone found to retaliate or take adverse action against any person raising issues in good faith shall be subject to disciplinary actions, up to and including termination of their employment.

To measure and evaluate our efforts in protecting human rights, we have set ourselves specific KPIs including a goal to have zero incidents. In 2021 we reported zero incidents.

It is our duty to continually monitor and improve our performance. We do this by having our senior management team review and update our systems regularly to ensure compliance and progress.

Human Rights Risk Assessment Screening

We work closely with our key stakeholders to identify and assess any human rights risks. In 2020 we conducted a comprehensive human rights risk assessment with EY focused on specific risks within the telecommunications equipment and electronic sector.

This study included assessments on human rights risks specific to forced labour and modern slavery, child labour, working conditions, wages and discrimination in countries where we have ODM partners and salesforces. This risk assessment was done in addition to our regular risk management processes.

This assessment helped us to focus our supplier base by prioritising the auditing for high-risk areas first. In 2021, we conducted 12 Corporate Social Responsibility audits across our global phone and accessory manufacturing operations. We conducted 2 audits in India, 9 in China and 1 in Vietnam.



Non-discrimination & Diversity

We are an equal opportunity employer. In line with our Code of Conduct and Human Rights and Labour Policy, our employees, contractors, job applicants, suppliers and partners as well as anyone who encounters our company should never be subjected to abuse, bullying or discrimination of any kind.

We have anti-discrimination and harassment policy in place which is available to all employees. It states that no one should be judged or treated differently due to their race, sex, religion, marital status, pregnancy, nationality, ethnicity, disability, sexual orientation, expression or any other characteristic that leaves a person feeling unfairly treated. Under no circumstances should our employees or potential employees be subjected to medical or pregnancy testing that could be used in a discriminatory way.

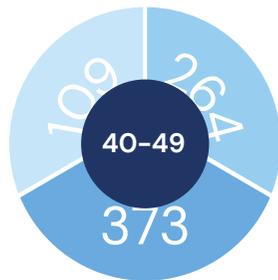
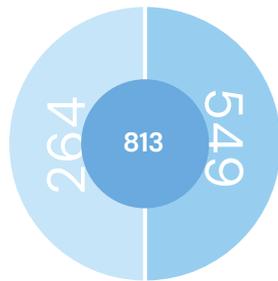
We host anti-harassment and anti-discrimination training where employees are made aware of the availability of facilities for religious practices as well as access for those with disabilities. All of our offices are wheelchair accessible.

To make employees from all backgrounds feel welcome, we provide our staff the chance to celebrate local holidays and hold local parties to honour events such as Chinese New Year and Dragon Boat Festival in China, Midsummer in Finland, and we host a Christmas lunch in the UK.

Should anyone fall victim to discrimination or harassment of any kind, we actively encourage them to report the incident through our Speak-up channel. In 2021 we recorded no cases of discrimination or harassment.

Non-discrimination & Diversity

In 2021 we measured the diversity of our employees and governance body by gender and age groups. We are working towards including the ratio of basic salary and remuneration at HMD Global by gender for future reports.



In 2021 our board consisted of all men over 50 years old. Our senior leadership team is larger and has a more diverse background. In 2021, we added two women to our leadership team. As we grow, we are committed to ensuring a more diverse and balanced workforce as part of our sustainability strategy.



Occupational Health and Safety

Providing a safe and healthy working environment is of the utmost importance at HMD. Our approach to occupational health and safety is based on the international recognised OHSAS 18001 management system and the ILO guidelines. This enables us to operate a structured and comprehensive management system to ensure compliance with international standards, local laws and regulatory requirements.

As part of this system, we have a procedure in place to assess and control the risks of accidents and injuries as well as occupational diseases in a proactive and preventative manner. We created a health and safety plan that covers all appropriate measures and have appointed a senior manager responsible for ensuring a healthy and safe working environment for all employees. We aim to be ISO45001 certified by 2023.

We have a dedicated Environmental, Health and Safety Policy that forms our main guidance for health and safety. This policy outlines our framework for preventing accidents, emergencies, occupational industries and illnesses and describes our training approach, hazard analysis and critical control points.

To ensure adherence, we provide training for all relevant employees as well as subcontractors working on our premises. We have translated all our procedures into major languages spoken by employees to ensure maximum awareness and understanding of our policies.

To prevent incidents, we have conducted detailed health and safety risk assessments, as well as regular internal audits. We have also created emergency preparedness plans including fire and first aid procedures.

We have a Safety Committee who oversee compliance with all guidelines and procedures. It is made up of employee representatives, the physical Safety Manager and Deputy, Office Managers, HR and is usually chaired by the employee representative. We also now include health and wellbeing representatives.

The committee's decision-making process relies on unanimous votes. All meeting outcomes are recorded and distributed via email to all attendees and are used as a baseline for subsequent meetings. The committee shares updates with employees relating to health and safety, where they are given an opportunity to provide input or raise concerns, and updates are made available to all staff on the company intranet.

This group meets monthly. Staff are encouraged to provide input for meetings. Employee representatives are selected every two years and are required to be from a non-safety background.



Compliance

Anti-Corruption and Anti-Competitive Practices

HMD is committed to complying with the highest ethical standards. We have created business ethics policies to provide clear guidance on what we expect from our employees and external partners working on our behalf. Our business ethics policies cover a range of issues including anti-corruption and bribery, gifts and hospitality, conflicts of interest and risk management. To provide overarching guidelines, we have implemented a Business Ethics Policy and a Company Code of Conduct outlining our values, principles, standards and norms of behaviour.

Every employee is expected to understand and comply with these documents at all times. All employees, including management, receive annual training and updates on business ethics as well as access to resources via our company intranet. New employees also receive training on our Code of Conduct and business ethics as part of their induction.

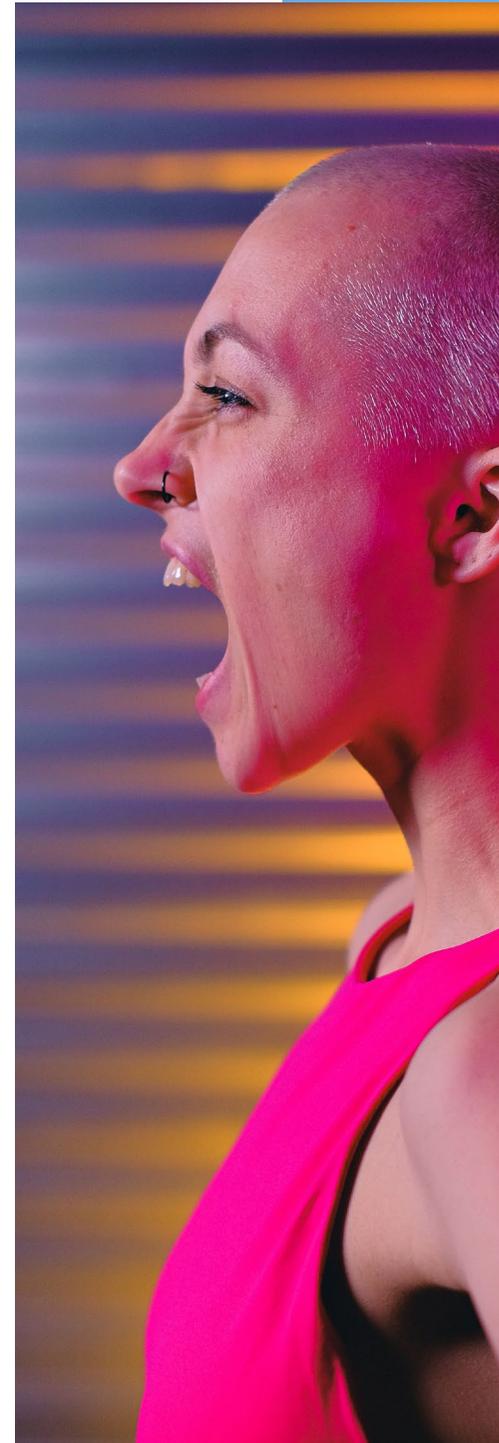
We conduct regular compliance risk assessments that cover anti-corruption and anti-competitive practices across all sites. Awareness of any potential risks within our value chain enables us to set up the appropriate preventative measures and control mechanisms to mitigate any incidents from happening. These control measures include obtaining all necessary

approvals before conducting any transaction (e.g. contracts, placing orders, receiving goods, processing invoices and making payments). All our internal control mechanisms are implemented according to our Internal Controls Policy and Framework.

To promote ethical standards and procedures across various locations, we have established regional compliance committees that ensure compliance according to our Code of Conduct. These committees have regular meetings to discuss any ethical or compliance issues and handle any necessary follow-up actions as a result of any issues that may arise.

The performance of our internal controls are regularly monitored. Root causes, as well as near misses, are thoroughly investigated. We conduct compliance reviews and internal audits regularly to ensure our risk management, governance and internal controls work effectively.

Employees must report all suspected ethics violations promptly through our Speak-up Channel or via their manager. Any subsequent internal investigations are conducted by dedicated compliance and legal specialists who are experienced in investigation procedures. It is our aim to review any reports within three business days.



Should any breaches of our guidelines occur, disciplinary action will be taken. In addition to reporting through our Speak-up channel, members of management, as well as our legal department, compliance or human resource teams can be approached, or concerns can be submitted directly to ethics@hmdglobal.com. HMD has a zero retaliation policy to any employee using the Speak-up channel.

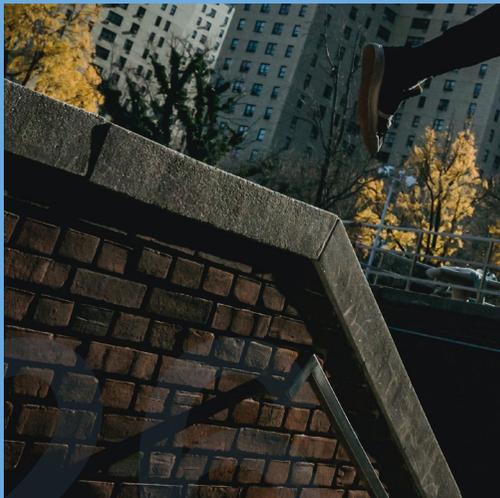
Our Code of Conduct and ethical expectations are set and overseen by the management team who are held accountable to establish and implement effective risk management and internal control frameworks. The same applies to our business partners who we hold accountable by incorporating our business ethics requirements into all contracts.

The effectiveness of our control mechanisms are measured by the number of confirmed incidents in relation to corruption, fraud, conflicts of interest and anti-competitive practices within our own operations and value chain. In 2021 we recorded zero confirmed corruption incidents, zero legal actions for anti-competitive behaviour, antitrust and monopoly practices and zero non-compliance with other laws and regulations. We are proud of this and strive to ensure zero incidents in the future.

High Risk corruption areas

We have assessed the possible risk areas within our operations and the following areas have been considered to be high risk for corruption:

- Organising hospitality events (e.g. accepting an extravagant dinner with a possible vendor)
- Making charitable donations (e.g. donating to government agencies)
- Attempting to speed up bureaucratic procedures (e.g. obtaining permits, licences or other government approvals)
- Legislation in some countries excludes some small payments (e.g. facilitation or 'grease' payments) from the scope of bribery. However, as a global company, HMD strictly prohibits all such payments



Senior leader roles in preventing corruption

Our senior leaders take an active role in preventing corruption across the organisation.

Specific areas of ownership are outlined below:

Role	Responsibility
Board	Defining the accepted ethical behaviour through corporate policies
C-Level management team	Setting the tone from the top of the organisation
Leadership team	Overseeing, identifying and managing risks through regional compliance committees
Controls and compliance team	Providing training and support to the organisation, monitoring compliance
Legal	Providing legal support and guidance
Direct line managers	Supervising and supporting employees, management control

Responsible information management

HMD respects privacy and compliance with all applicable data protection and privacy laws including the EU General Data Protection Regulation (GDPR). These set strict standards for respecting human rights including privacy. HMD devices do not, and will not, include any censorship capabilities or features.

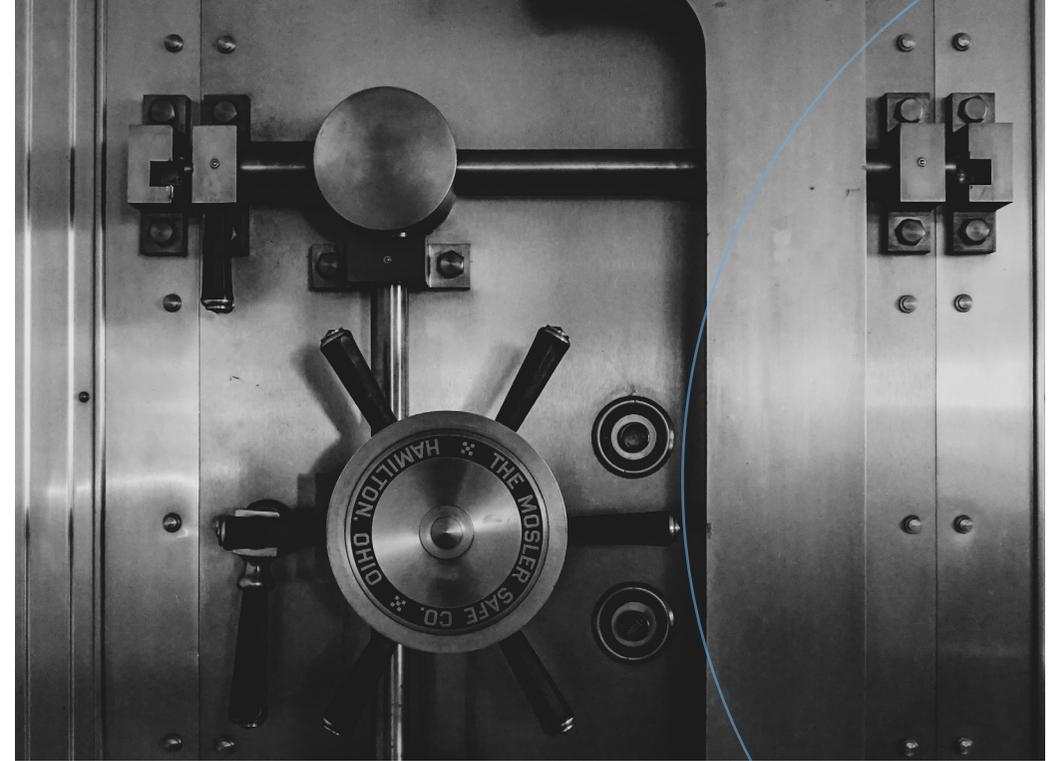
HMD's privacy policies and practices are monitored and validated by an independent privacy expert, the Counterpoint Research Trust. To monitor compliance, HMD has a nominated Data Protection Officer (DPO) that reports to the CEO. The DPO prepares an annual plan to determine the appropriate level of priority for the DPO duties and to determine the time needed to carry out necessary tasks to maintain compliance.

HMD is committed to protecting personal customer information and is responsible for any data that we hold, collect or use. Data collected by HMD from global smartphone and tablet devices sold in Europe, Sub-Saharan Africa, the US and India is stored at our servers in Finland provided by Google Cloud Platform. For our smartphone and tablets that are sold in China, the data is stored at our servers in mainland China as required by local laws.

Honesty and transparency are important to us as an organisation. Customers can easily access information about our data collection policies on our website, including what types of data is collected when a phone is first activated. We clearly communicate all software updates and critical alerts online and to each device.

Our privacy portal allows easy access to the latest privacy policies and supplemental material. Links to privacy documents on the first page of device setup makes it easy for businesses and their employees to comply.

Our commitment to data transparency has been recognised by the Counterpoint Research Trust which ranked us top place for two years in a row. This was based on us providing the most comprehensive software and security updates. These updates go hand in hand with our ethos of democratising security and going beyond the already stringent Android Enterprise Recommended requirements. HMD delivers two times more security updates compared to most competitors in the first three years of device ownership. In 2021 we were also recognised by the IoXt Alliance for this approach, further validating that HMD builds devices that strengthen the ecosystem and prioritise security.



Information security and privacy are not only taken seriously for the products and services that we deliver, but the same approach is taken for our own internal processes as well. From our Information Security, Personal IT and Business Ethics policies to our Company Code of Conduct, we set out clear and responsible information management guidelines for every employee to comply with.

We have both proactive and reactive risk management mechanisms. We host training and security risk assessments regularly. We take preventative measures to ensure information and physical security. We limit access to our databases containing personal information to authorised personnel only.

Personal data is never transferred without ensuring it is safe and compliant. We have a Data Retention Policy to ensure data is destroyed securely in accordance with applicable laws or contractual obligations.

As part of our reactive risk management mechanism, we have implemented an incident response procedure (IRP) to manage any occurring breaches of confidential information. As part of this we implemented a data breach tracker as well as data breach guidelines for all employees in 2021. Any concerns about the integrity of our responsible information management systems, or to report security breaches, can be reported via our Speak-up channel.

In 2021 we had zero authority reported incidents in relation to disclosure of non-public information. We also had zero substantiated complaints concerning customer privacy, breaches or loss of customer data.

04

Product Responsibility

hmd.

04

Product Quality



We stand firmly by our product quality. As a Nokia brand licensee, we ensure Nokia's brand values of quality, sustainability and reliability apply to everything we do.

We follow the inherited world-class development and quality assurance processes from the Nokia brand. To ensure quality, we strictly follow the ISO9001 and the IEE standards. These requirements are shared and explained to all of our partners and suppliers, not only during the comprehensive onboarding process, but throughout the relationship. We monitor this closely end-to-end throughout the development, production and after sales period.

HMD conducts over 50 tests on each phone for hardware durability, well above the industry average. Nokia phones are built for a life cycle of more than three years thanks to their durable build**. A rigorous manufacturing standard is followed for each product, a process known as one of the toughest in the world. Tests for durability include force measurements, vigorous tumble, wear and tear, fatigue tests and more. We also require standard product requirement tests from our suppliers.

In the concept phase for a new device, we define the feature set, development scope and timeline as well as a detailed quality assurance plan. Each development milestone and phase have a clear checklist and documentation with clear inputs and outputs are required in line with a predefined reporting template.

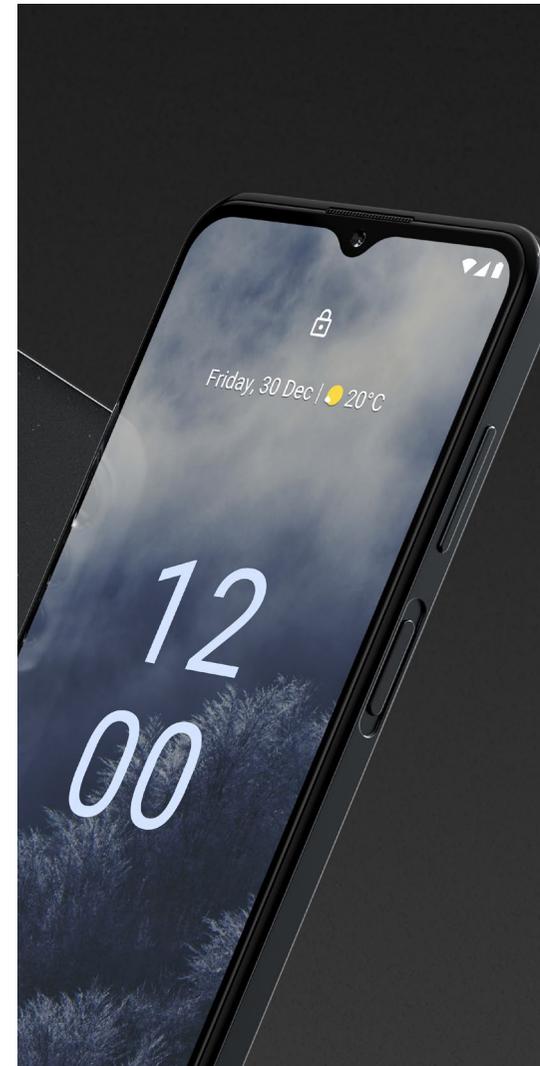
During each phase of development, there is a weekly plan with expected results and outcomes that must be completed before moving onto the next phase. The final development milestone always requires multiparty testing and quality assurance.

When sales begin, we monitor customer feedback closely so that we can investigate any potential issues and resolve them quickly. The first few weeks are critical to pick up anything that may not have been identified in the earlier phases.

Our Early Warning Programme monitors trends and feedback that could lead to a customer having a negative experience or highlight a new quality issue. If any issues are identified, we take action to understand any potential root causes and take action to solve the issue by adapting either the software, hardware or product process immediately.

We apply a continuous improvement process by using the lessons learnt as well as use feedback. We then update and adjust the quality requirements accordingly. We do this through our widespread Care network as well as several physical and digital channels available to consumers.

HMD supports its partners to also improve their processes to assure even higher quality standards. We do this through regular business auditing for quality processes. This is done in line with our CSR programme.



**Nokia phones lead the trust rankings, Counterpoint Research

Customer Health and Safety

The safety of our products is of the utmost importance. We work with our suppliers and customers to promote responsible use throughout the product life cycle.

We have detailed environmental, health and safety requirements for all our products to ensure this. These include product material and substance content and conformance lists, product construction and disassembly, labelling and marking, product related laws and regulation, safety instruction and testing standards. All our products meet the RoHS 2 Compliance which refers to the restriction of hazardous substances in electronic and electrical products based on the European Union's Directive 2001/65/EU and EU 2015/863.

In 2021 we underwent product health and safety impact assessments for 100% of our products. In 2021 we recorded zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impact of our products or services.



Customer care

4.4
/ 5

We are proud of our ongoing commitment to customer care and support. On average received an overall customer satisfaction score of 4.4 out of 5 in 2021.

We offer customer support in English 24 hours a day, 7 days a week. During business hours, we provide support in 14 languages. We collect and analyse any customer issue globally and in real-time, enabling us to address any concerns quickly.

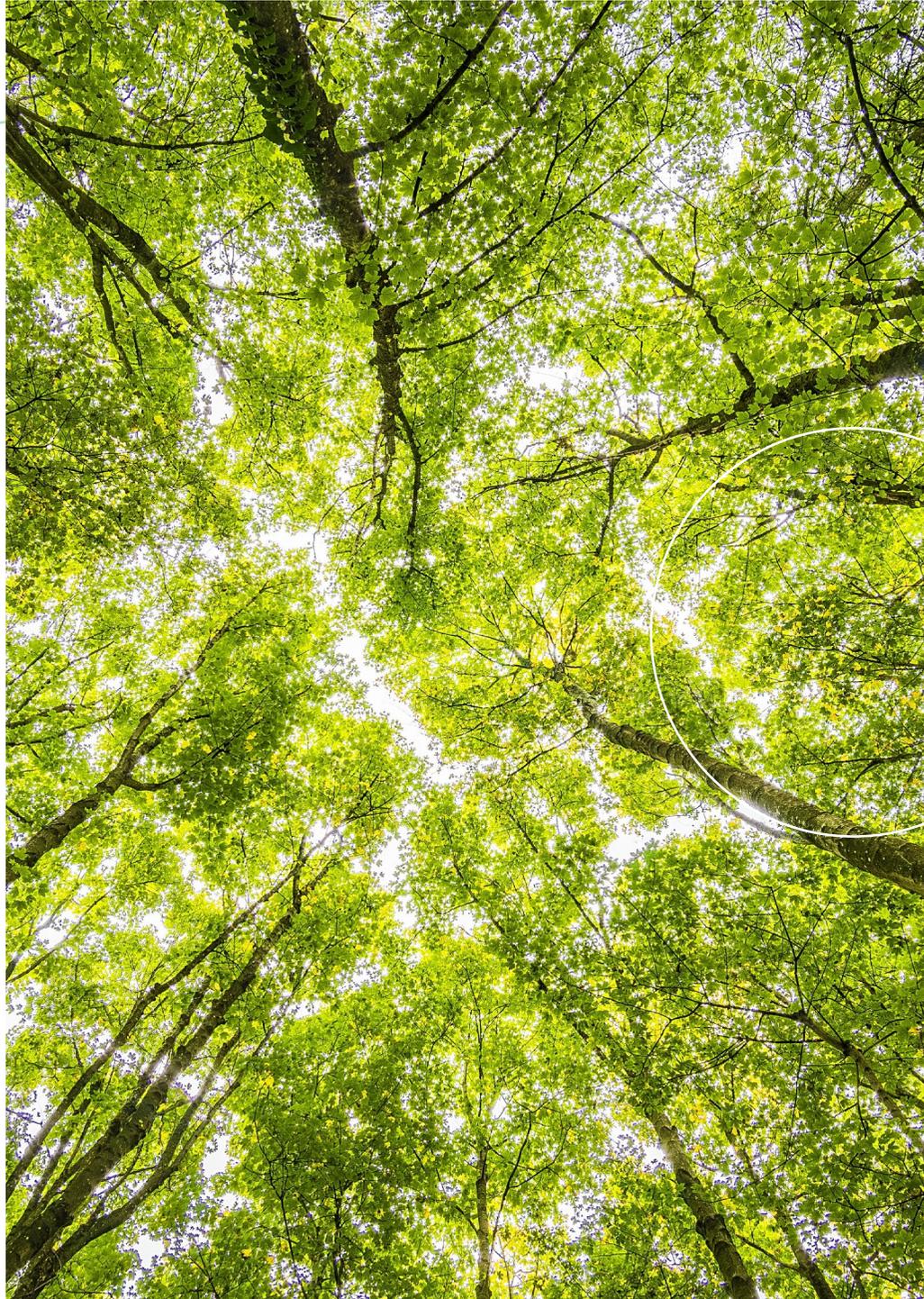
Environment

Environment

HMD has a longstanding track record for building long-lasting, durable devices with recyclable components. We take our environmental responsibilities seriously and are committed to helping protect our natural resources and prevent climate change.

In recognition of our efforts, we were awarded a Gold medal by the sustainability rating agency, Ecovadis, in 2021, up from Silver in 2020. This is an accolade that is only given to the top 6% in our industry. In 2022, we achieved the highest ranking by Ecovadis, Platinum, placing us in the **top 1% for our industry**.

To uphold our commitment to being an environmentally responsible business, we have implemented a Global Environmental Health & Safety Policy that all employees (and those working on HMD's behalf) must adhere to. The policy enables the business to monitor its use of resources to reduce waste and limit emissions to land, sea and air closely. Our 'design for the environment' processes ensures that our products comply with the latest standards in environmental performance. To minimise our impact on the environment, we monitor and continuously improve our product development, production, transport, use and end of life planning.



As part of the continuous improvement process set out by ISO14001, we monitor energy use, water access, the material input for products, the use of hazardous materials and chemicals and the treatment and control of waste generation. We are proud to report that we reported zero non-compliances environmental laws and regulations in 2021.

In 2021 we doubled down on measurement in order to clearly define our overall sustainability strategy for the future. To ensure that our sustainability strategy is robust and fit for the future, we chose to partner with an accredited third-party in 2021 to validate our measurement processes, based on science based targets, and help to define clear KPIs for years to come.

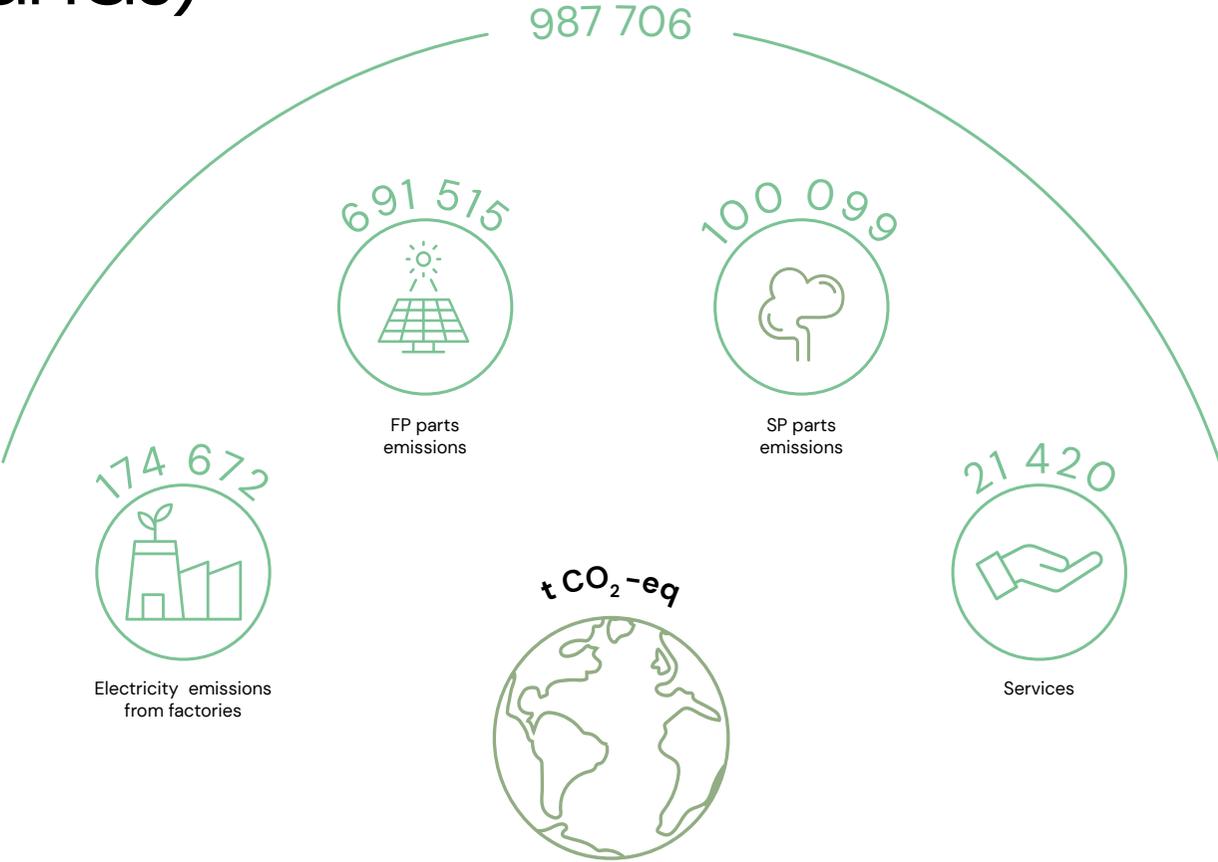
The results of this study of our emissions in 2020, including Scope 3 Greenhouse Gas emissions, were published in 2022, and we have made the commitment to do this on an annual basis. As part of this, we also established clear processes for the future that will allow us to measure our emissions on an ongoing basis. The aim of this is to enable HMD Global to use this data as a benchmark in order to set clear goals for the future.

Energy and Greenhouse Gas Emissions (GHGs)

As part of our commitment to sustainability, we continuously strive to reduce our impact on the environment by measuring, recording and reporting back on our energy consumption and greenhouse gases every year.

In 2021 we conducted our first comprehensive study alongside a third party accredited partner to calculate our greenhouse gas emissions for HMD Global's operations globally, including Scope 3. The results, which were published in 2022, showed that in 2020, our carbon footprint was 1,183,578 tonnes of CO₂ for the year. We have committed to repeating this process again in 2022 for our emissions in 2021.

84% of emissions are from our manufacturing the breakdown is as follows.



We are now using this data for benchmarking and to highlight areas for improvement so we can implement more targeted measures to reduce our greenhouse gas emissions. This will help us to increase awareness and give us further information that will help to form the actions that will be laid out in our sustainability pledge and strategy for the next few years.

Resource Efficiency

Water

In 2021 we undertook an assessment of all environmental assessments to measure any negative impact for all our business operations. Water does play a role in the manufacturing process which is outsourced to our ODMs. We require our suppliers to implement a comprehensive system to monitor, control and treat wastewater created by their operations and products. We expect our suppliers to comply fully with wastewater management obligations which includes having all the required permits and approvals in place. Water consumption is limited to our office bathrooms and kitchens, and so not deemed material, but we manage our use carefully.



Waste

Alongside guidelines for suppliers on the efficient use of water, we also encourage our suppliers to monitor the amount of waste produced regularly, and to obtain any permits and approvals where necessary. We further expect them to align their operations with the 'EU Waste Hierarchy' model. This means that, wherever possible, they should aim to reduce, reuse, recycle and reclaim to reduce the amount of waste created during the production process. The same applies to any internal waste management process.

We monitor our own waste regularly and have implemented measures to reuse or recycle waste. Each employee is encouraged to separate waste into desiccated waste bins, as per our recycling guidelines. We have special bins for cardboard, bottles and organic waste. We also work with external providers to safely dispose of batteries and ink cartridges that are collected and recycled in their facilities.

We limit our internal IT devices to employee laptops and office printers. Our servers are cloud-based and outsourced to third-party providers, further reducing our environmental footprint. Older laptops - if still technically sound - are restored and given to new employees to avoid any unnecessary electronic waste. At the end of their life, however, all electronic devices are sent to specific electronic waste recycling companies.

Product use and Product end-of-life

Our devices have a superior build quality and are built to last. That is why 'sustainability through durability' best describes our approach to product design. All Nokia devices undergo 50 rigorous assessments before being approved for sale. This makes us an industry leader when it comes to product testing.

We are always looking for new ways to update our product design to include eco features that limit the amount of energy used during the product's use and waste at the end of its life. This includes easy dismantling designs and using recyclable materials in our products where possible.

In 2021 we took a number of significant steps to reduce our overall impact on the environment. We updated our product design to include more recycled and recyclable materials into our packaging. This includes a free 100% compostable case and an extended warranty for a number of our devices. This approach was also extended to our accessories range.

According to the European Commission, mobile phone chargers were responsible for an estimated 12,000 tonnes of e-waste in 2019 in Europe alone. We took the decision to remove chargers and headsets as standard from our X10 and X20 devices in 2021 to counteract this. We also removed the charger from the XR20 and included Victus glass to make devices more durable.

Upon receiving their phone, customers can use the USB lead in the sales box to charge their devices via a USB wall socket, computer port or mobile battery pack. If they do need a wall charger, they are now provided with a URL where they can order wall chargers for free if they need them.

We gave our customers trees to plant instead of including headphones through our partnership with Ecologi. We have planted 341,122 trees to date. This initiative started in the UK in 2020. In 2021 we extended it to the Netherlands, Italy and Germany as well as the UK. We plan to roll this out to other markets in Europe over the coming years.

In addition, we donate £10 or 10 euros from online purchases from Nokia Phones of wall chargers to CLEAR RIVERS, a charity that removes plastic waste from waterways. The plastic removed from waterways is then turned into new products. In 2021 we raised EUR 17,000 for the charity.

The move is aimed at changing customer behaviours by encouraging customers to use a USB cable instead of a wall charger or reuse an existing wall charger or headphones from a previous device. In 2021 80% of customers chose not to buy a charger, saving 6,000 chargers from landfill.



As part of our commitment to e-waste reduction, we harvest components from old devices that would otherwise end up in landfill. We reuse these components and feed them back into our repair operations. In 2021 we harvested 4,834 kg of materials, saving e-waste from going into landfills. We also offer an online recycling service across the EU as well as in Norway, Switzerland, the United Kingdom and the United States. For more information, visit: <http://www.nokia.com>

Environmental profiles for all of our devices can be found here on our website. We have had these in place since 2020 when we joined the operator initiated scheme Eco Rating. These include information about the materials and substances used, packaging, recyclability rate and the energy efficiency of the product.

We have been working hard to introduce a more circular model into our business. We take part in the European Take Back programme for recycling end of life devices. We comply with both the Waste Electrical and Electronic Equipment Directive (WEEE) and the RoHS Directive. All of our products are marked with the crossed-out wheeled bin symbol and a producer identification mark in accordance with these guidelines.

Sustainable procurement

Our value chain

In 2021 we spent time measuring the sustainability of our value chain. The nature of our business model means that ODMs manufacture our products on our behalf and we, as HMD, then sell and distribute those products to our customers directly or via distributors. Our post-sales, or after care, as well as logistics are also handled by HMD. This means that the direct sustainability impact of our operations as HMD is in relation to our offices. However, we recognise that our social and environmental responsibility extends far beyond our company walls.

We have nine phone ODMs and four accessories ODMs. These ODMs work with their own suppliers, which we refer to as tier 2 suppliers. Tier 2 suppliers procure plastics, components and precious metals for the manufacturing process. For chipsets, however, HMD has direct relationships with the main chipset vendors for mobile devices to assure competitive prices, quality and security. In 2021 there were no changes in the location of suppliers, the structure of our supply chain or relationships with our suppliers.



Social and environmental aspects

Establishing a good working relationship with our suppliers is integral to our business. We expect our suppliers to share the same values regarding environmental protection and social responsibility as us.

All new suppliers sign up to the guiding principles outlined in our Supplier Code of Conduct (SCoC) when they start work with HMD. The SCoC outlines what HMD expects from its suppliers in relation to Human Rights & Labour, Business Ethics, Environmental, Health and Safety and Management practices. HMD assesses suppliers according to their conformance to this code and any violation of it will result in remedial actions. Failure of our supplier to comply with this code or the remedial actions set could result in termination of the business contract.

With respect to the environment, the SCoC states that suppliers must have an environmental management system (EMS) in place that aligns with the ISO14001 standards and that they are to regularly review applicable environmental legislation, regulations and customer requirements and can supply evidence of their compliance as requested. For our relevant manufacturing partners, we request full compliance with ISO14001 or the Eco-Management and Audit Scheme (EMAS) as part of our contractual requirements. Another requirement in our supplier contracts is that suppliers implement an occupational health & safety management system that complies with the OHSAS 18001 or similar internationally recognised standards.

With respect to business ethics, the SCoC prescribes that suppliers operate by the same ethical standards we set ourselves and comply with the related policies and procedures, and all applicable national and international laws. Similarly, we expect suppliers to commit to creating jobs that have a positive impact on peoples' lives. This applies to all direct or indirect workers, permanent and temporary workers as well as students and migrant workers or any other type of worker.

During the reporting year, 100% of ODMs agreed to our Supplier Code of Conduct.



Supplier Assessments – CSR audits and requirements compliance

We perform periodic on-site audits aligned with the JAC and SA8000 requirements to ensure that our supplies comply with our SCoC.

The areas we audit our suppliers on includes:

- Non-tolerance for child labour and juvenile workers
- Non-tolerance for forced labour
- Health and safety compliance
- Freedom of association for works
- Non-tolerance for discrimination
- Disciplinary practices
- Working hours
- Wages and compensation
- Environment
- Business ethics

In 2020 we audited suppliers in China and Vietnam and, in 2021, we extended this to include India. In 2021 all of our global phone ODM factories were audited by a third party as per the JAC/SA8000 requirements. Our audits found that all of the audited factories had valid certifications for ISO45001 and OHSAS 18001. We have a minimum requirement of a level B rating or above for all of our suppliers.



Conflict Minerals

We have taken a number of steps to ensure the responsible sourcing of minerals needed to create our products. Tin, tantalum, tungsten and gold are all essential to manufacturing our devices. However, we know that the illegal extraction and trade of these minerals is fuelling military conflict in some countries and may cause human rights violations as well as environmental degradation.

To mitigate this risk, we actively collaborate with industry peers through the Conflict Free Sourcing Initiative which has been set up by the EICC. This group helps us to improve traceability and ensure responsible sourcing.

We have implemented a Conflict Minerals Policy which outlines that suppliers must commit to sourcing these materials from environmentally and socially responsible sources only. Materials that either directly or indirectly contribute to conflict are unacceptable to us. Any suppliers that provide these will be strictly excluded during our supplier pre-selection process. These principles are a legally binding part of our supplier contracts.

We conduct due diligence according to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals and Conflict-Affected and High-Risk Areas to ensure that suppliers adhere to these requirements. We also ask suppliers to conduct due diligence within their own supply chains and require them to report on the sourcing of these minerals and maintain the data for five years.

In 2021 100% of all of our relevant suppliers provided us with their Conflict Mineral Reporting Template (CMRT). This is done for all of our phone models. Anyone with any concerns regarding conflict minerals is encouraged to voice these via our Speak-up channel. To improve our efforts to mitigate the risk of conflict minerals entering our value chain in the future, we plan to host training and regular feedback sessions with suppliers.

Memberships and External Initiatives

We have aligned our sustainability strategy with a number of internationally recognised standards including the Carbon Disclosure Project (CDP), United Nations Global Compact (UNGC) and Global Reporting Initiative (GRI) as part of our ongoing commitment to continuous improvement.

About this report

This is our second sustainability report which has been prepared in accordance with the GRI standards: core option. It covers the reporting period from 1 January 2021 to 31 December 2021 and will be prepared annually . It reflects our passion, dedication and contribution to sustainability as outlined by the UN Sustainable Development Goals (SDGs) and the 10 Principles of the UNGC.

Data presented in this report is from our global offices and operations including transportation of goods. Manufacturing is outsourced to our ODM partners and is out of scope for this report. However, we have chosen to include information on how we govern and manage our relationships with our ODM partners and suppliers.

This information is reported to the best of our knowledge and in good faith. At this point in time, we have not chosen to validate this information by an external third party, but we plan to do so in the future.

We are always looking for opportunities to improve our processes and ways of working and welcome all feedback from stakeholders. If you have any feedback, please direct any questions or comments [here](#).

You can find our latest news via our press releases page at: [\(insert link\)](#).

For more information on our recycling policies visit: [\(insert link\)](#).

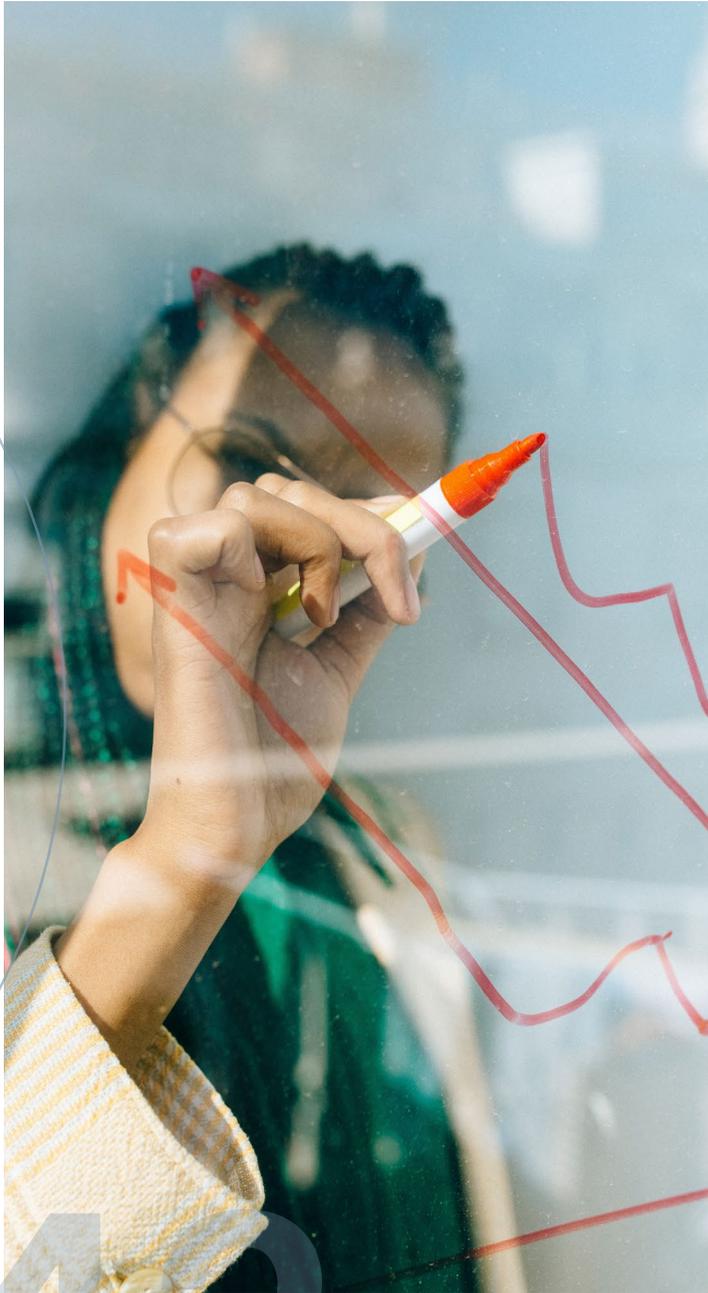
GRI Content Index

The reporting principles for the GRI Standards are as follows:

- Stakeholder inclusiveness
- Accuracy
- Comparability
- Sustainability context
- Balance
- Reliability
- Materiality
- Clarity
- Timeliness
- Completeness

The table outlines where you can find information in this document according to the GRI Standard Indicator and the alignment with each disclosure with the 10 UNGC principles linked to the United Nations 17 Sustainable Development Goals.

General disclosures		
Indicator	Description	Section
102-1	Name of the organisation	About HMD
102-2	Activities, brands, products and services	About HMD // Products and Services
102-3	Location of headquarters	About HMD
102-4	Location of operations	About HMD
102-5	Ownership and legal form	About HMD
102-6	Markets served	About HMD
102-7	Scale of the organisation	About HMD
102-8	Information on employees and other workers	People
102-9	Supply chain	Sustainable procurement // Value chain
102-10	Significant changes to the organisation and its supply chain	Sustainable procurement // Value chain
102-11	Precautionary principle or approach	Materiality
102-12	External initiatives	Memberships and external initiatives
102-13	Membership of associations	Memberships and external initiatives
102-40	List of stakeholder groups	About HMD // Stakeholder engagement
102-41	Collective bargaining agreements	People
102-42	Identifying and selecting stakeholders	About HMD // Stakeholder engagement
102-43	Approach to stakeholder engagement	About HMD // Stakeholder engagement
102-44	Key topics and concerns raised	Materiality



Strategy

Indicator

Description

Section

102-14

Statement from senior decision-maker

Statement from exec

102-15

Key impacts, risks and opportunities

Statement from exec

Ethics and integrity

102-16

Values, principles, standards and norms of behaviour

Materiality

102-17

Mechanisms for advice and concerns about ethics

Materiality

Governance

102-18

Governance structure

Materiality

102-19

Delegating authority - comprehensive

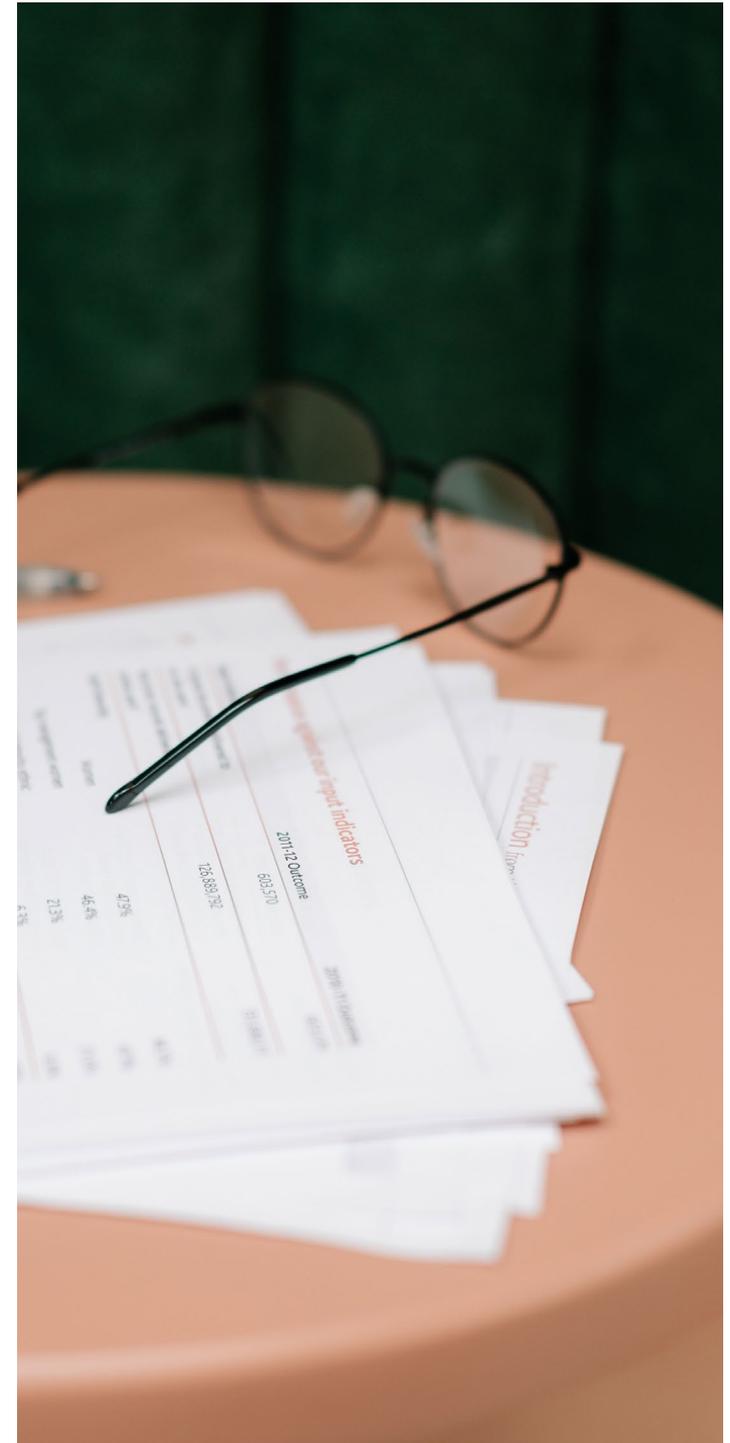
Materiality

Reporting practice

Indicator	Description	Section
102-45	Entities included in the consolidated financial statement	N/A - privately owned
102-46	Defining report content and topic boundaries	Materiality
102-47	List of material topics	Materiality
102-48	Restatement of information	N/A
102-49	Changes in reporting	N/A
102-50	Reporting period	Materiality
102-51	Date of most recent report	N/A
102-52	Reporting cycle	Materiality
102-53	Contact point for questions regarding the report	About this report
102-54	Claims of reporting in accordance with GRI standards	Materiality
102-55	GRI content index	GRI content index
102-56	External assurance	N/A

Management approach

103-1	Explanation of the material topic and its boundary	Materiality
103-2	The management approach and its components	Materiality
103-3	Evaluation of the management approach	Materiality



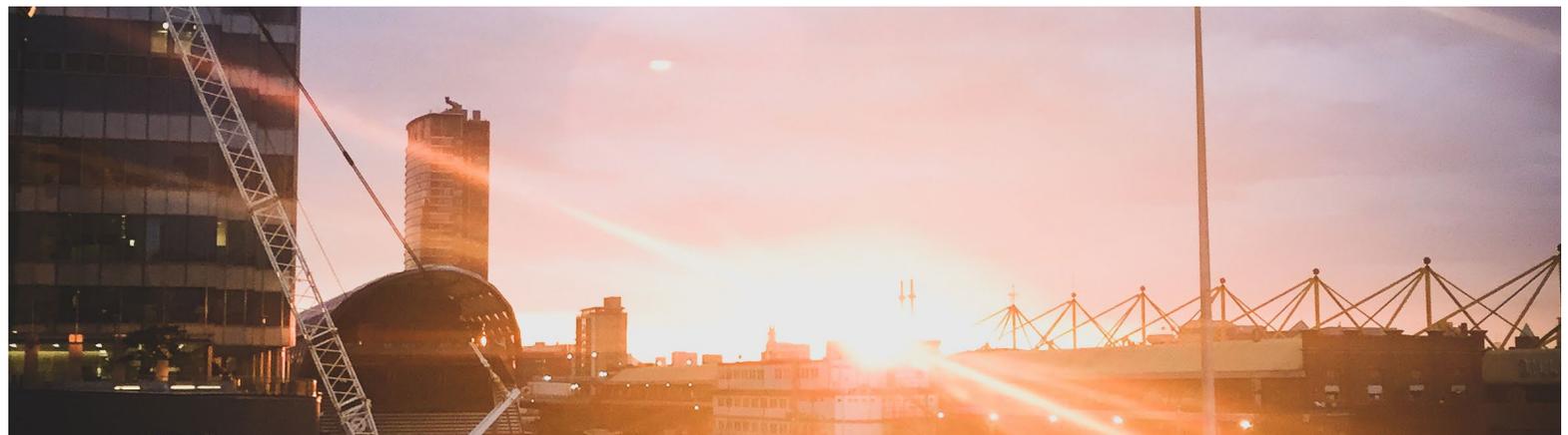
200 Economic Standard Series

Anti-corruption

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
205-1	Operations assessed for risks related to corruption	Goal 16: Peace, justice and strong institutions	Materiality and Compliance // Anti-corruption and anti-competitive practices
205-2	Communication and training about anti-corruption policies and procedures	Goal 10: Reduced inequalities Principle 10: Work against corruption in all its forms, including extortion and bribery	Compliance // Anti-corruption and anti-competitive practices
205-3	Confirmed incidents of corruption and action taken		

Anti-competitive behaviour

206	Management approach	Goal 16: Peace, justice and strong institutions	Compliance // Anti-corruption and anti-competitive practices
206-1	Legal actions for anti-competitive behaviour, antitrust and monopoly practices	Goal 10: Reduced inequalities Principle 10: Work against corruption in all its forms, including extortion and bribery	



300 Economic Standard Series



Materials

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
301	Management approach	Goal 12: Responsible consumption and production	Environment
301-1	Materials used by weight or volume	Principle 9: Encourage the development and diffusion of environmentally friendly technologies	N/A
301-2	Recycled input materials used		Environment // Product use and product end of life
301-3	Reclaimed products and their packaging materials		Environment // Product use and product end of life

Energy

302	Management approach	Goal 13: Climate action	Environment
302-1	Energy consumption within the organisation	Principle 7: Support a precautionary approach to environmental challenges	Environment // Energy and greenhouse gas emissions
302-2	Energy consumption outside of the organisation		N/A
302-3	Energy intensity		Environment // Energy and greenhouse gas emissions
302-4	Reduction of energy consumption		N/A
302-5	Reductions in energy requirements of products		N/A

Environmental compliance

307	Management approach	Goal 13: Climate action	Environment
307-1	Non-compliance with environmental laws and regulations	Principle 7: Support a precautionary approach to environmental challenges	Environment

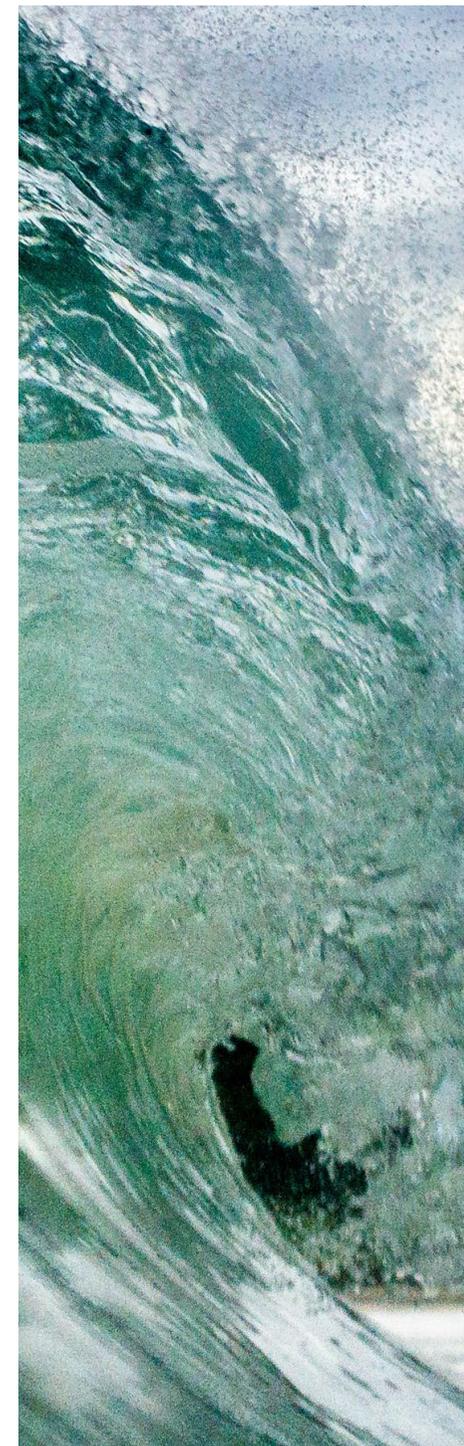
300 Economic Standard Series

Emissions

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
305	Management approach	Goal 13: Climate action	Environment // Energy and greenhouse gas emissions
305-1	Direct (Scope 1) GHG emissions	Principle 7: Support a precautionary approach to environmental challenges	N/A
305-2	Energy indirect (Scope 2) GHG emissions		N/A
305-3	Other indirect (Scope 3) GHG emissions		Environment // Energy and greenhouse gas emissions
305-4	GHG emissions intensity		N/A
305-5	Reduction of GHG emissions		N/A
305-6	Emissions of ozone-depleting substances (ODS)		N/A

Supplier environmental assessment

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
308	Management approach	Goal 13: Climate action	Sustainable procurement
308-1	New suppliers that were screened using the environmental criteria	8: Undertake initiatives to promote greater environmental responsibility	Sustainable procurement // Our value chain
308-2	Negative environmental impacts in the supply chain and actions taken		Sustainable procurement // Our value chain





400 Economic Standard Series

Employment

Indicator	Description	Section
401	Management approach	People
401-1	New employee hires and employee turnover	People // Staff retention
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	People // Working at HMD Global
401-3	Parental leave	People // Working at HMD Global

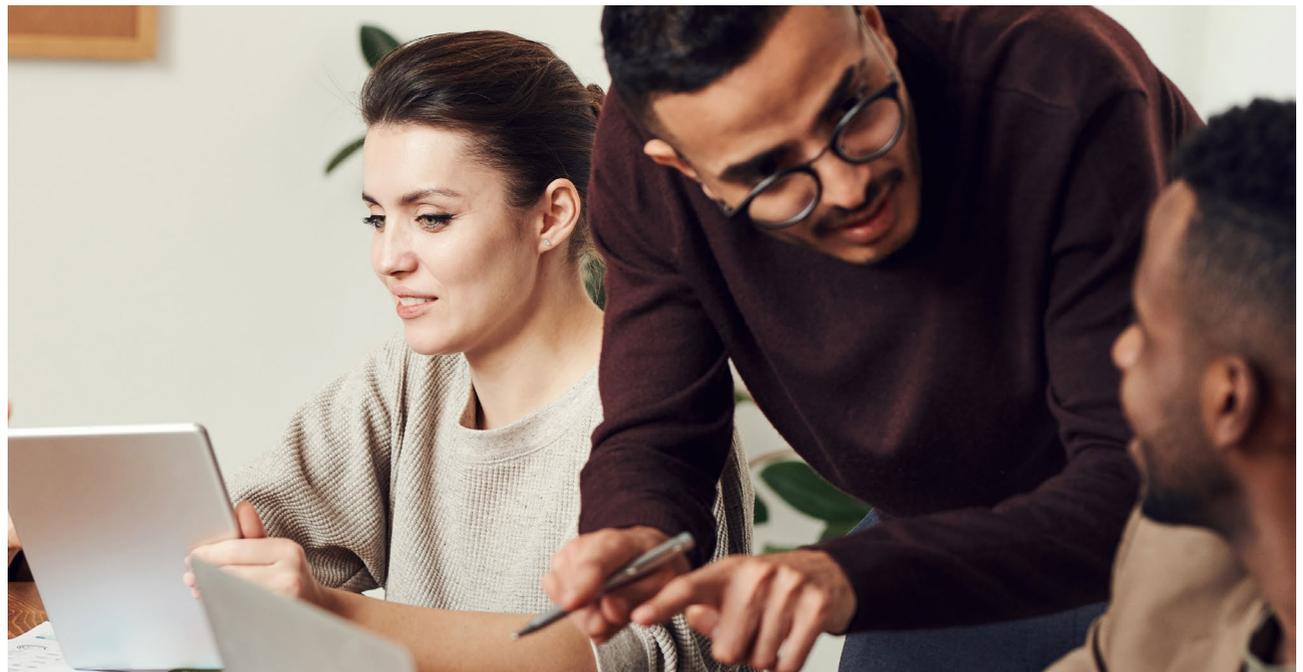
Occupational health and safety

403	Management approach	Our people // Occupational health and safety
403-1	Occupational health and safety management system	
403-2	Hazard identification, risk assessment and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8	Workers covered by an occupational health and safety management system	
403-9	Work related injuries - list time injury	
403-10	Worker related ill health	

400 Economic Standard Series

Training and education

Indicator	Description	Section
404	Management approach	People
404-1	Average hours of training per year per employee	N/A
404-2	Programme for upgrading employee skills and transition assistance programmes	People // Performance management
404-3	Percentage of employees receiving regular performance and career development reviews	People // Talent management





400 Economic Standard Series

Diversity and equal opportunity

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
405	Management approach	Goal 5: Gender equality	People // Non-discrimination and diversity
405-1	Diversity of governance bodies and employees	Principle 6: Support the elimination of discrimination in respect to employment and occupation	People // Non-discrimination and diversity
405-2	Ratio of basic salary and remuneration of women to men		N/A

Non-discrimination

408	Management approach	Goal 10: Reduced inequalities	People // Non-discrimination and diversity
408-1	Incidents of discrimination and corrective actions taken	Principle 6: Support the elimination of discrimination in respect to employment and occupation	People // Non-discrimination and diversity

400 Social Standard Series

Freedom of association and collective bargaining

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
407	Management approach	Goal 5: Gender equality	People // Working at HMD Global
407-1	Operations and suppliers have the right to freedom of association and collective bargaining	Principle 6: Support the elimination of discrimination in respect to employment and occupation	

Child labour

408	Management approach	Goal 3: Good health and well-being	People // Human rights & child and forced labour
408-1	Operations and suppliers at significant risk for incidents of child labour	Principle 5: The effective abolition of child labour	

Forced or compulsory labour

409	Management approach	Goal 3: Good health and well-being	People // Human rights & child and forced labour
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Principle 5: The effective abolition of child labour	



400 Social Standard Series



Human rights assessment

Indicator	Description	UN Sustainability Goal and UNGC Principle	Section
412	Management approach	Goal 10: Reduced inequalities	People // Human rights & child and forced labour
412-1	Operations that have been subject to human rights reviews or impact assessments	Principle 1: Support and respect the protection of internationally proclaimed human rights; and	People // Human rights risk assessment screening
412-2	Employee training on human rights policies and procedures	Principle 2: Make sure that they are not complicit in human rights abuses	People // Human rights & child and forced labour // Human rights risk assessment screening
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		People // Human rights risk assessment screening

Supplier social assessment

414	Management approach	Goal 10: Reduced inequalities	Sustainable procurement
414-1	New suppliers that were screened using social criteria	Principle 1: Support and respect the protection of internationally proclaimed human rights; and	Sustainable procurement // Supplier assessments
414-2	Negative social impacts in the supply chain and actions taken	Principle 2: Make sure that they are not complicit in human rights abuses	Sustainable procurement // Supplier assessments

400 Social Standard Series

Customer health and safety

Indicator	Description	Section
416	Management approach	Product responsibility
416-1	Assessment of the health and safety impacts of product and service categories	Product responsibility // Customer health and safety

Supplier social assessment

418	Management approach	Compliance
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Compliance // Responsible information management

Socioeconomic compliance

419	Management approach	Compliance
419-1	Non-compliance with laws and regulations in the social & economic area	Compliance





GRI Content Index

**HMD Global Oy GRI Standards Core option
Sustainability Report 2020**

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