



## **Millicom Supplier Code of Conduct 3.0**

**August 1, 2017**

# INTRODUCTION & BACKGROUND

## Purpose

Millicom International Cellular S.A. and its affiliated companies (“Millicom”) is committed to the highest ethical standards, is respectful of the law and committed to going beyond compliance with the law to drive and advance social, ethical and environmental responsibility. The purpose of the “Millicom Supplier Code of Conduct” (“Code”) is to convey clearly to our suppliers, partners and other third parties (“Suppliers”) the minimum standard we commit to as a company, and outline what our expectations are for them in terms of responsible business practices.

The terms of this Code are intended to supplement, rather than replace, the terms of any contract between Millicom and any Supplier or other third party as defined in clause 0 below. In the event of any conflict, the terms of any such contract shall apply.

## Definition

“Suppliers” are defined as supplier(s), vendor(s), contractor(s), distributor(s), consultant(s) and/or other third parties providing goods, services and supplies (including software) to support Millicom operations.

“Subcontractors” are defined as any third party (e.g. self-employed individuals, other local entities, affiliates of the same group, ...) undertaking part of the supplier main contract with Millicom.

## Scope

Millicom Suppliers must be able to demonstrate their alignment to this Code to ensure responsible business practice and to meet certain legislative requirements, whether or not the Supplier is a large multinational or a small independent supplier operating at local level.

Millicom suppliers are expected to comply with the law in all circumstances. In cases where the applicable law conflicts with the provisions in this Code, Suppliers are expected to comply with the law, while seeking to meet the underlying principles of this Code.

In such case, Millicom suppliers are expected to notify the procurement department in case of any legal requirement new or existing that might contradict any section of this code.

Where small to medium sized Suppliers express a desire for assistance and support in order to achieve the desired level of control around responsible business practice outlined in this Code; the Millicom Supply Chain and Procurement departments in association with Millicom’s Ethics & Compliance team, the Corporate Responsibility and Security teams are able to provide some support without losing sight of both companies’ independence.

This Code is translated into French and Spanish and may be translated to other local languages. The English version shall prevail at all times in the event there is any conflict, discrepancy or ambiguity between the English and translated versions.

In the event any supplier requires the use of a subcontractor to complete part or all of the contractual agreement signed with Millicom:

- (a) Supplier must obtain approval in written from Millicom procurement. Should the need for a subcontractor arise during the life of the contract, the Supplier must immediately

notify Millicom and collect all necessary supporting documentation.

- (b) Supplier must be able to demonstrate its subcontractors' alignment to this code.

### **Communication**

Millicom expects its Suppliers to communicate the requirements of this Code to all personnel and subcontractors involved in the collaboration with Millicom, confirm the alignment of their own codes and policies with the spirit of this Code and be prepared to adopt and implement steps, processes or policies where gaps may exist between their practices and the Code's requirements.

### **Coverage**

- 1 Business Ethics, Responsible Business Practice and Compliance**
- 2 Workers' Rights**
- 3 Workers' Protection**
- 4 Prohibition of Child Labor**
- 5 Environmental Protection**
- 6 Conflict Minerals**
- 7 Monitoring Millicom supplier code of conduct**
- 8 Commitment & Transparency**
- 9 Whistleblower Policy**

# 1. Business Ethics, Responsible Business Practice and Compliance

Millicom Suppliers shall commit themselves to the highest standard of ethical conduct and responsible business practice. The promotion of business ethics and the fight against bribery and corruption are fundamental to doing business the right way; they are also key elements of sustainable and long term business development as requested by Suppliers and other stakeholders.

## 1.1 Business Ethics & Anti-Bribery & Anti-Corruption

- (a) Millicom accepts no part in corruption, bribery, extortion and/or embezzlement. Millicom will not do business with any Supplier that engages in corruption, bribery, extortion and/or embezzlement, nor will it do business with any Supplier found to be in a position related in any way to corruption, bribery, extortion and/or embezzlement, that would have a negative impact on the business and/or the working relationship;
- (b) Suppliers shall not engage in any bribery, including making improper offers of anything of value or payments to or from Millicom and its subsidiaries' employees, customers, suppliers, organizations or individuals. Suppliers shall refrain from offering or accepting any bribe, improper offers of anything of value, or payments or other means of obtaining undue advantage;
- (c) Suppliers shall have an Anti-Bribery & Anti-Corruption Policy or equivalent that sets out the principle of zero tolerance to any form of bribery and/or corruption within their organization and with third parties, including facilitation payments. Suppliers shall ensure that their employees, contractors and sub-contractors are aware of its Anti-Bribery & Anti-Corruption Policy and know how to comply with its requirements;
- (d) Any actual or attempted violation of these requirements by a Supplier will result in termination as a Millicom Supplier and the Supplier being removed from the Millicom "Approved Supplier List".

## 1.2 Gifts and Gratuities

- (a) Employees of Millicom are prohibited from asking for or accepting any money, object of value or preferential treatment from any current or prospective Millicom business partner during any pre-tendering or procurement process;
- (b) Offering small value gifts or gratuities may be accepted during the normal course of the business relationship by a Millicom employee, but expressly outside of any tendering or procurement process, however they should not be in violation of this Code. However, any member of the Supply Chain Management and Procurement department may not accept any gift of any value at any time. Any gift or entertainment provided or received must be disclosed through the Millicom disclosure process;
- (c) Gifts, gratuities, or any offer of anything of value (including payments, gifts, entertainment, etc.) must not be extended to any government or other public official.
- (d) Further information and specific allowances are contained within the latest Millicom Gifts and Entertainment Policy. Any questions with regards to compliance with the policy must be raised with the Millicom Ethics & Compliance team

## 1.3 Fraud and Anti-Money Laundering

Suppliers shall act in accordance with all applicable international standards and laws on fraud and anti-money laundering, not do or omit to do anything likely to cause any party to be in breach of any such international standards and laws and maintain an effective anti-fraud and anti-money laundering compliance program and policy designed to ensure compliance with the law. Suppliers shall furthermore monitor compliance and have a mechanism in place for the detection of violations of the program and/or policy.

#### **1.4 Confidential Information and data protection**

Suppliers may receive or encounter confidential information in regards to Millicom's business activities including, but not limited to strategic business plans, budgets, purchase prices and forecasts, customer databases and employee master data. Such confidential information must not be obtained or sought by the Supplier outside of what is reasonably expected for the execution of the agreed business relationship and must never be disclosed without prior written permission from Millicom. Disclosure of such information shall be provided only on a need to know basis in order to fulfill the requirements of the contractual agreement and in accordance with applicable regulations, data privacy laws and prevailing industry practices.

Suppliers whose personnel or systems will have access to Millicom employee or customer data will employ effective technologies and process protocols to ensure the safety, security and integrity of any personal information and the systems in which this information is collected, transferred and stored, including through the use of encryption and leading international standards security protocols. Suppliers will commit to, on a regular and ongoing basis, inform and educate themselves on the latest advances in privacy protections and ensure that their employees are trained on, and using, the best global and industry practices in privacy and data protection.

Any supply agreement, contract or purchase order that exists between Millicom and supplier is considered confidential information.

#### **1.5 Intellectual Property**

- (a) Suppliers are required to respect intellectual property rights, regardless of the existence and effectiveness of local and international legislation and regulation;
- (b) Suppliers are required to seek prior written approval from Millicom to disclose any confidential information (refer section 2.4) between themselves and Millicom.

#### **1.6 Responsible marketing**

Suppliers are required to ensure that any marketing or advertising towards customers of products and services provided on behalf of Millicom is not misleading and respects Millicom's guidelines of responsible marketing. This include use of Millicom Logo(s).

Suppliers agree to transparently communicate the terms of service of products and services, including information relating to collection, sharing, disclosing, retaining and using personal data and termination of services.

#### **1.7 Community Engagement**

Millicom encourages Suppliers to engage in supporting the communities where they operate to promote social and economic development.

## 2. Workers' Rights

### 2.1 Universal Human Rights

- (a) Suppliers are encouraged to make public their commitment to respect human rights as defined in the "Universal Declaration of Human Rights", the "UN Guiding Principles for Business and Human Rights", and the "International Labor Organization Core Conventions";
- (b) Suppliers must ensure that they neither knowingly assist or become complicit in violating human rights.

### 2.2 Harsh Treatment and Harassment

Suppliers will treat all employees with respect and dignity. Suppliers shall ensure workers are not subjected to suffering, threatening behavior or any kind of inhumane treatment, including corporal punishment, physical or verbal abuse, sexual or other harassment or other forms of abuse or intimidation.

### 2.3 Involuntary or Forced Labor

- (a) Millicom prohibits the use of forced labor and as such Suppliers shall prevent the use of any form of compulsory or forced labor, debt bondage, slavery, human trafficking or involuntary prison labor;
- (b) There should not be any unreasonable restrictions on workers' freedom of movement in the company-provided facilities.
- (c) Employees and contractors engaged by Millicom Suppliers should be free to leave work or terminate their employment after a reasonable notice period. Workers should never be deprived of their identity documents or work permits by their employer or contractor. All employment shall be voluntary.

### 2.4 Working Hours

- (a) Suppliers shall respect both local and international laws regarding daily and weekly working hours, including laws concerning break-time and maximum overtime;
- (b) Workers should benefit from having at least 24 consecutive hours off per every 7 days or 48 consecutive hours off per every 14 days and a minimum of 12 hours between shifts depending on the worker's classification;
- (c) Workers should benefit from a minimum of 2 weeks paid holiday per year or as defined by local law (whichever is greater). Workers should be made aware of and guaranteed paid maternity or paternity leave at minimum for periods defined in local law and be guaranteed to return to their role or a similar role at the end of their leave. Breast-feeding mothers should be made aware of and granted their right to shortened working day as defined in local law.

### 2.5 Wages

- (a) Suppliers shall ensure their workers are paid timely at a rate equal or greater to the local living allowance/minimum wage;
- (b) All overtime must be compensated according to local law;

- (c) Millicom prohibits any form of salary deductions as disciplinary measures;
- (d) Millicom expects its Suppliers to compensate their employees with an appropriate allowance covering any overtime commitments towards the supply of products or services to Millicom.

## **2.6 Equal Opportunity Employment and Discrimination**

- (a) Millicom appreciates and acknowledges the added value of diversity and discourages discrimination in the workplace;
- (b) Suppliers shall not engage in or support any form of discrimination in hiring, employment terms, remuneration, promotion, termination, retirement procedures or decisions, and access to training. This includes, but is not limited to discrimination based on: race, color, age, veteran status, gender identification, sexual orientation, pregnancy, ethnicity, disability, religion, political affiliation, trade union membership, nationality, indigenous status, medical condition, HIV or other health status, social origin, social or marital status and union membership;
- (c) Millicom encourages under-represented groups (such as women, minorities, disabled persons, etc.) to join the company and as such expects its Suppliers to do likewise.

## **2.7 Health Status and Privacy**

- (a) Suppliers shall refrain from seeking unnecessary information on the health of workers or potential workers, by any means;
- (b) If the Supplier receives information about the health status of workers or potential workers, the Supplier will abstain from communicating them to any other Supplier;
- (c) Suppliers must provide sanitary working conditions including toilets and access to drinking water.

## **2.8 Freedom of Association**

Millicom respects the right of workers to freely create or join or not to join a labor union of their choice, without suffering any kind of discrimination, intimidation or harassment, and therefore requires its Suppliers to conform to the same freedom in accordance with local law by adopting or implementing a policy or process to that effect.

## 3. Workers' Protection

### 3.1 Protection from Occupational Hazards

- (a) The Supplier is required to suitably and sufficiently protect all workers from health, safety and environmental hazards within the workplace or working environment;
- (b) The Supplier should identify and sufficiently control all foreseeable risks relevant to the task, and mitigate risk to its lowest possible level;
- (c) Where necessary, the Supplier shall provide workers with suitable and sufficient personal protection equipment to prevent any harm;
- (d) Millicom encourages its employees to raise unsafe working conditions and/or practices and as such it expects its Suppliers to do likewise and not discourage its employees from doing so;
- (e) The Supplier shall protect workers using machinery through an appropriate design of the machine (physical guards, interlocks, barriers, etc.), training and preventive maintenance;
- (f) The supplier will identify, measure and mitigate the exposure of workers to biological, chemical and physical hazards, including radio frequency fields;
- (g) When procuring safety-sensitive products or services, Millicom may request tendering applicants to provide a detailed list of workers protection measures, as part of their submission and contractual commitments.

### 3.2 Emergency Preparedness

- (a) Suppliers must have a suitable and sufficient process to protect its workers from identified emergency risks (such as fire, flooding, hurricane, earthquakes, etc.) by adopting appropriate emergency plans, security equipment and evacuation procedures;
- (b) The Supplier must ensure that workplace is fitted with fire alarms and must test these alarms on a regular basis, at least once per year.

### 3.3 Occupational Injuries and Illnesses

- (a) Suppliers shall track and record the occupational injuries and illnesses of its workers, to ensure preventative measure can be taken;
- (b) Suppliers will encourage workers to declare such injuries and illnesses, and provide them with the appropriate treatment.



## 4. Prohibition of Child Labor

### 4.1 Banning Child Labor

- (a) Millicom believes education for all children is essential to long term development;
- (b) Millicom is strictly against the use of child labor and as such prohibits its use in its operations, its distribution network and in the manufacturing or execution of the products and services it purchases;
- (c) Suppliers shall prohibit child labor, ensure that children are not employed by their own suppliers and follow other relevant ILO and UNICEF recommendations with regards to children's rights. Suppliers and their suppliers shall not employ anyone unless they have reached the greater of:
  - Local minimum school leave age;
  - Local minimum employment age;
  - The age of 15.
- (d) Suppliers shall keep adequate records of 'proof of age' documents for every person in their employment;
- (e) Suppliers will ensure that in the employment of any 'young worker' (anyone under the age of 18 but above the legal minimum working age), the local laws relating to restrictions in working hours, permissions of parents or guardians, registration and physical fitness examinations, or any other requirements or restrictions are respected.

In addition to local regulations, the age limit of 18 will apply to any persons hired indirectly to sell exclusively Millicom's (and its subsidiaries') products and services (so called freelancers), drivers, and any staff hired to work on network deployment, technical installations and physical maintenance of telecommunications or cable networks.

### 4.2 Physically Demanding and Hazardous Work

Millicom shall not tolerate and therefore prohibits Suppliers it engages with from hiring or employing anyone below the age of 18 to complete physically demanding and hazardous labor.

## 5. Environmental Protection

Suppliers should be aware of and strive to minimize any adverse environmental impact of their products and services during the whole product life cycle: production, transport, use and disposal or recycling. Suppliers shall comply with relevant legislation and international standards, and in countries where environmental legislation is not evident or enforced, Suppliers shall ensure reasonable practices for managing environmental impacts are in place.

### 5.1 Permits and Reporting

Where required, Suppliers will manage required environmental permits or licenses and comply with both local and international legislation for reporting their activities linked to Millicom: manufacturing, transportation and disposal of waste within local operations.

### 5.2 Waste Reduction and Treatment

- (a) Suppliers shall work to reduce or recycle the waste they produce by their activities and minimize waste to landfill;
- (b) Suppliers shall also reduce, properly treat and control liquid waste and wastewater before being discharged.

### 5.3 Dangerous Substances

- (a) Suppliers shall identify chemical substances and other materials that may cause damage to humans or the environment and declare to local authorities when required;
- (b) Millicom expects its Suppliers to ensure all hazardous gases, substances and materials are properly managed in a way that minimizes exposure to humans or the risk of them being released into the environment;
- (c) Millicom commits to the Reduction of Hazardous Substances (RoHS) and therefore requires its Suppliers to also comply with RoHS, REACH and any other relevant applicable regulations, and ban or minimize hazardous substances accordingly. Gas Emissions

Where applicable to Suppliers, and of manufacturing goods, all emissions of volatile organic, acid or corrosive chemicals, of aerosols, particles, ozone depleting gases and combustion by-products must be monitored, controlled and properly treated.

### 5.4 Product Labelling Requirements

Suppliers should adhere to any labelling requirements in line with local and international laws and regulations around potential environmental impact, including but not limited to packaging, disposal of electrical and electronic equipment, and prohibition and restriction of potentially hazardous or harmful substances.

### 5.5 Electronic and Radio Equipment

Suppliers are encouraged to develop products through a process that feature:

- A low energy consumption and environmental impact during their manufacturing, delivery and installation;
- A low energy consumption in operation;

- An improved resistance to high temperatures (thus decreasing the need for cooling);
- A lower content of hazardous components;
- A design that facilitates the reuse and or recycling prior to disposal.

Any equipment provided by Suppliers emitting electromagnetic fields (EMF) should be manufactured, tested and compliant to global safety standards as defined by International Commission on Non-Ionizing Radiation Protection (ICNIRP), and for mobile handsets within the SAR safety limits.

## **6. Conflict Minerals**

Any Suppliers who manufacture components, parts and/or products containing tantalum, tungsten, tin and gold shall have a clear policy and procedure in place to reasonably ensure that purchased raw minerals originate only from smelters and mines validated as 'conflict free'. Suppliers shall exercise due diligence on the source and chain of custody of such minerals and are in position to report on due diligence measures taken and origins of materials in their products upon Millicom's request.

## 7. Monitoring Millicom supplier code of conduct

Millicom operates a risk management process to monitor and manage compliance with applicable laws and regulations across all its activities, and Supplier alignment with its Code, and as such requires its Suppliers adopt and/or implement a similar approach through their policies or processes.

This management system should include but is not limited to:

### 7.1 Supplier Commitment

A statement confirming commitment to comply with applicable laws, regulations and Codes of Conduct appropriate and relevant to the services and products supplied to Millicom's.

### 7.2 Identified Responsibilities

Where applicable, an organizational chart identifying roles, responsibilities and accountabilities to manage the areas identified in this Code.

### 7.3 Risk Management Process

Where appropriate, a written process to identify, measure and manage associated and foreseeable risks.

### 7.4 Audit, Written Records and Communication

Where appropriate, written records demonstrating commitment of the Supplier to continuous improvement in areas identified in this Code such as: standards, performance, audits, training records, remediation plans and self-evaluations.

### 7.5 Training

The provision of suitable training, information and awareness to its managers and workers regarding good ethical working practices to ensure compliance with this Code.

### 7.6 Worker Participation

A simple process to take into account employees' input and feedback on all issues, especially those contained within this Code or the Supplier's own code of conduct.

### 7.7 Correction of Deficiencies

A process for prompt corrective actions and deficiencies identified by internal or external sources.

### 7.8 Documentation, Records & Right to Audit

- (a) A process for the management of documentation in compliance with this Supplier Code of Conduct or respective code of practice must be kept by the Supplier.
- (b) The Supplier shall maintain full and accurate records relating to its compliance with this Code for a period of five (5) years following the termination or expiry of the applicable supply agreement pursuant to which Supplier supplies goods and/or

services to Millicom (“Records”).

- (c) Millicom may request, from time to time, on reasonable prior notice to the Supplier, to perform an assessment or audit with regards to the Supplier’s compliance with the requirements of this Code in order for Millicom to comply with any external laws, regulations, investigations or reporting requirements or internal policies and procedures. Supplier shall grant the right of reasonable access to the Records (as defined in section 8.4) and shall provide reasonable assistance at all times for the purposes of allowing Millicom to carry out such audit to Millicom, any auditors of Millicom and their respective authorized agents.

## 8. Commitment & Transparency

By virtue that the Supplier is entering into an agreement with Millicom, it is agreeing to offer a commitment to align the requirements of this Supplier Code of Conduct with its own code of conduct / working practices and to adopt and implement processes or policies to ensure good and ethical working practices in the spirit of this Code.

Suppliers understand that any misrepresentation of their commitment to this Code may render the organization ineligible to participate in any future business activities resulting in the possible termination by Millicom of its contractual agreement with Supplier.

Millicom may from time-to-time conduct a follow up with its Suppliers with regards to the implementation and/or alignment of this Code and Suppliers’ commitment to ethical working practices.

A breach of this Code may be considered a material breach of contract with Millicom, and Millicom accordingly reserves all its legal rights and remedies in respect of any such breach.

Millicom (or another Millicom Group company) may report consolidated data regarding the progress of its Suppliers’ compliance with this Code in its annual corporate responsibility reporting. Suppliers agree to such disclosure. In such reporting, Suppliers will not be named or otherwise identified, without prior approval of Supplier.

## 9. Whistleblower Policy

Suppliers shall report any instances of illegal or unethical behavior or breaches of this Code (in relation to the goods and services being provided to Millicom). Millicom and the Supplier shall make all efforts to protect whistleblowers that may raise concerns about ethical or legal issues or breaches of this Code within Millicom or the Supplier, including protection against retaliation for any good faith reporting of wrong-doing. Reports can be raised, including anonymously, with the Millicom Ethics & Compliance team through the [Millicom Ethics Line](http://www.millicom.ethicspoint.com) hosted by an independent third party on [www.millicom.ethicspoint.com](http://www.millicom.ethicspoint.com)

By signing this document, I hereby agree to the terms and conditions stated in this Millicom Supplier Code of Conduct.

**Supplier Legal Entity Name :** .....

**Signatory Full Name :** .....

**Signatory Title :** .....

**Date :** .....

**Signature:**

Add initials on all pages and report here :

**Supplier Company Stamp:**