



**Millicom International Cellular S.A.**

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**Supplier Code of Conduct 2.0**

# **1. SUPPLIER CODE OF CONDUCT**

## **1 INTRODUCTION & BACKGROUND**

### **1.1 Purpose**

Millicom International Cellular S.A. (Millicom) is committed to ethics, is respectful of the law and at times goes further than the law to ensure and advance social, ethical and environmental responsibility. The purpose of the Millicom “Supplier Code of Conduct” is to convey clearly to our suppliers, partners and other third parties the minimum standard we commit to as a company, and outline what our minimum expectations are from them in terms of responsible business practices.

The terms of this Supplier Code of Conduct are intended to supplement, rather than replace, the terms of any contract between Millicom and/or its affiliates, and any Supplier or other third party as defined in clause 1.2 below. In the event of any conflict, the terms of any such contract shall apply.

### **1.2 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.

### **1.3 Scope**

The Millicom Supplier Code of Conduct must be aligned, incorporated and/or adopted by our “Suppliers” to ensure our responsible business practices are met and to meet certain legislative requirements, whether or not the Supplier is a large multinational or a small independent supplier operating at local level.

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

### **1.4 Coverage**

2. Business Ethics and Responsible Business Practices
3. Workers’ Rights
4. Workers’ Protection
5. Prohibition of Child Labour
6. Environmental Protection
7. Responsible Sourcing of Materials
8. Monitoring Compliance with the Supplier Code of Conduct
9. Commitment & Transparency

Millicom expects its Suppliers to promote the Supplier Code of Conduct, align their own Codes and Policies with the spirit of this document and adopt and implement steps, processes or policy where needed to ensure compliance with and commitment to The Supplier Code Of Conduct.

## 2. **BUSINESS ETHICS, RESPONSIBLE BUSINESS PRACTICES AND COMPLIANCE**

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

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

- (a) Millicom accepts no part in corruption, bribery, extortion and/or embezzlement. Millicom takes the stance of not doing business with any Supplier found to be in such a position of exposure 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 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 or payments or other means of obtaining undue advantage;
- (c) Suppliers shall have an Anti-Bribery & Anti-Corruption Policy that sets out the principle of zero tolerance to any form of bribery and/or corruption within their organisation 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".

### 2.2 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 Supplier Code of Conduct. However, any member of the Supply Chain Management and Procurement department may not accept any gift of any value at any time;
- (c) Further information and specific allowances are contained within the Millicom Gifts and Entertainment Policy.

### 2.3 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 such a program and policy.

### 2.4 Protecting Confidential Information

Suppliers may receive or encounter confidential information in regards to Millicom's business activities including, but not limited to strategic business plans, budgets 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 and in accordance with applicable regulations, data privacy laws and prevailing industry practices.

## 2.5 Intellectual Property

- (a) Suppliers are required to actively support and respect intellectual property rights, regardless of the existence and effectiveness of local and international legislation and regulation;
- (b) Suppliers are required not to advertise any contract between themselves and Millicom without prior written approval from Millicom.

## 2.6 Fair Business Practices

Suppliers are required to uphold the standards of fair business, advertising and competition ensuring that information provided to customers is not misleading. Suppliers are required to transparently communicate the terms of service of products and services, including information relating to termination of services.

## 2.7 Whistleblower Policy

Suppliers shall report any instances of illegal or unethical behaviour or breaches of the Supplier Code of Conduct (in relation to the goods and services being provided to Millicom). Millicom and the Supplier shall protect the confidentiality of whistleblowers that may raise concerns about ethical or legal issues or breaches of the Supplier Code of Conduct within Millicom or the Supplier. Reports can be raised with the Millicom Compliance & Business Ethics department through the Millicom EthicsLine hosted on the Millicom website ([www.millicom.com](http://www.millicom.com)).

## 2.8 Community Engagement

Millicom encourages the Supplier to ethically engage in supporting the communities where it operates to promote social and economic development.

# 3. **WORKERS' RIGHTS**

## 3.1 Universal Human Rights

- (a) Suppliers are required to respect and promote human rights as defined in the "Universal Declaration of Human Rights and the "International Labour Organization Core Conventions" and ensure that they are not complicit in human rights abuses;
- (b) Suppliers must ensure that they neither knowingly assist in violating human rights, nor benefit from human rights abuse carried out by any other person or organization including a State, private or public security forces.

## 3.2 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.

### 3.3 Involuntary Labour

- (a) Millicom prohibits the use of forced labour and as such Suppliers shall prevent the use of any form of compulsory or forced labour, debt bondage, slavery, human trafficking or involuntary prison labour;
- (b) 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.

### 3.4 Working Hours

- (a) Suppliers shall respect both local and international laws regarding daily and weekly working hours, including laws concerning maximum overtime;
- (b) Workers should benefit from having at least 24 hours off per every 7 days or 48 hours off per every 14 days and a minimum of 12 hours between shifts depending on the worker's classification;
- (c) Workers should also benefit from a minimum of 2 weeks paid holiday per year and maternity leave as defined in local law for new and expectant mothers.

### 3.5 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.

### 3.6 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, colour, age, veteran status, gender identification, sexual orientation, pregnancy, ethnicity, disability, religion, political affiliation, trade union membership, nationality, indigenous status, medical condition, HIV 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.

### 3.7 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.

### 3.8 Freedom of Association

Millicom respects the right of workers to freely create or join a labour 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.

## 4. **WORKERS' PROTECTION**

### 4.1 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.

### 4.2 Emergency Preparedness

- (a) It is the requirement of Millicom to ensure that all Suppliers 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.

### 4.3 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) It will encourage workers to declare such injuries and illnesses, and provide them with the appropriate treatment.

## 5. **PROHIBITION OF CHILD LABOUR**

### 5.1 Banning Child Labour

- (a) Millicom believes education for all children is essential to long term development;
- (b) Millicom is strictly against the use of child labour 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 labour, 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.

### 5.2 Physically Demanding and Hazardous Work

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

## 6. **ENVIRONMENTAL PROTECTION**

Suppliers shall acknowledge that "in order to achieve sustainable development, environmental protection shall constitute an integral part of the development process and cannot be considered in isolation from it". Therefore, Suppliers should strive to minimize the adverse environmental impact of their products and services where able to do so 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.

### 6.1 Permits and Reporting

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

### 6.2 Waste Reduction and Treatment

- (a) Suppliers shall work to reduce or eliminate the waste produced by all its activities;
- (b) Suppliers shall also reduce, properly treat and control liquid waste and wastewater before being discharged.

### 6.3 Dangerous Substances

- (a) Suppliers shall identify chemical substances and other materials that may cause damage if released in the environment through process and declare to local authorities when required;
- (b) Millicom expects its Suppliers to ensure all hazardous gases and substances are properly managed in a way that minimizes the risk of it 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 regulation, and ban or minimize hazardous substances accordingly.

### 6.4 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.

### 6.5 Product Content Restrictions

Millicom commits to the prohibition and restriction of specific substances, as well as labeling, recycling and disposal laws and as such requires its Suppliers to do likewise through a suitable and sufficient process.

### 6.6 Electronic and Radio Equipment

- (a) Most products procured by Millicom consist of electric, electronic and radio equipment. During procurement tenders of such equipment, Millicom will pay particular attention to the energy consumption and environmental impact including over the product life cycle;
- (b) 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.

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

## 7. **RESPONSIBLE SOURCING OF MATERIALS**



Any Suppliers who manufacture components, parts and/or products containing tantalum, tungsten, tin and gold shall have a clear policy or procedure in place to avoid knowingly purchasing such materials from conflict zones (conflict minerals). In particular Suppliers shall have a procedure to reasonably assure that purchased 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 report on due diligence measures taken and origins of materials in their products upon Millicom's request.

## **8. MONITORING CODE OF CONDUCT**

Millicom adopts a risk management process to monitor and manage compliance with applicable laws and regulations across all its activities 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:

### 8.1 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.

### 8.2 Identified Responsibilities

Where applicable, an organizational chart identifying roles, responsibilities and accountabilities.

### 8.3 Risk Management Process

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

### 8.4 Audit, Written Records and Communication

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

### 8.5 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.

### 8.6 Worker Participation

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

### 8.7 Correction of Deficiencies

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

### 8.8 Documentation, Records & Right to Audit

(a) A simplistic process for the management of documentation in compliance with this

Supplier Code of Conduct or respective code of practice.

- (b) The Supplier shall maintain full and accurate records relating to its compliance with this Supplier Code of Conduct for a period of seven (7) 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 inspect the Records from time to time on reasonable prior notice to Supplier. Supplier shall grant to Millicom, any auditors of Millicom and their respective authorised agents the right of reasonable access to the Records (including a right to make copies thereof) and shall provide all reasonable assistance at all times for the purposes of allowing Millicom to carry out such audit.

## **9. 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 simplistic steps through processes or policies to ensure good and ethical working practices similar to the spirit of this Code.

Suppliers shall seek, where applicable, additional advice and support in order to confirm commitment to the guiding principles as set out by Millicom and understand that any misrepresentation 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 from time-to-time shall conduct a follow up with its Suppliers requesting an update with regards to implementing and/or alignment of this Supplier Code of Conduct and Suppliers’ commitment to ethical working practices.

A breach of this Supplier Code of Conduct may be considered to be 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 progress of Suppliers’ compliance with this Supplier Code of Conduct in its annual Corporate Responsibility Report, and Suppliers agree to such disclosure.