

Respecting our people in everything we do

Our people are our greatest asset and we aim to build a culture of trust, respect, diversity and opportunity for all.

Highlights in 2018

166

different nationalities
worked in Nokia

Over

900

leaders and employees
were trained on gender balance topics

99

%

of employees
completed their annual performance evaluation

Pledged our support for

LGBT+

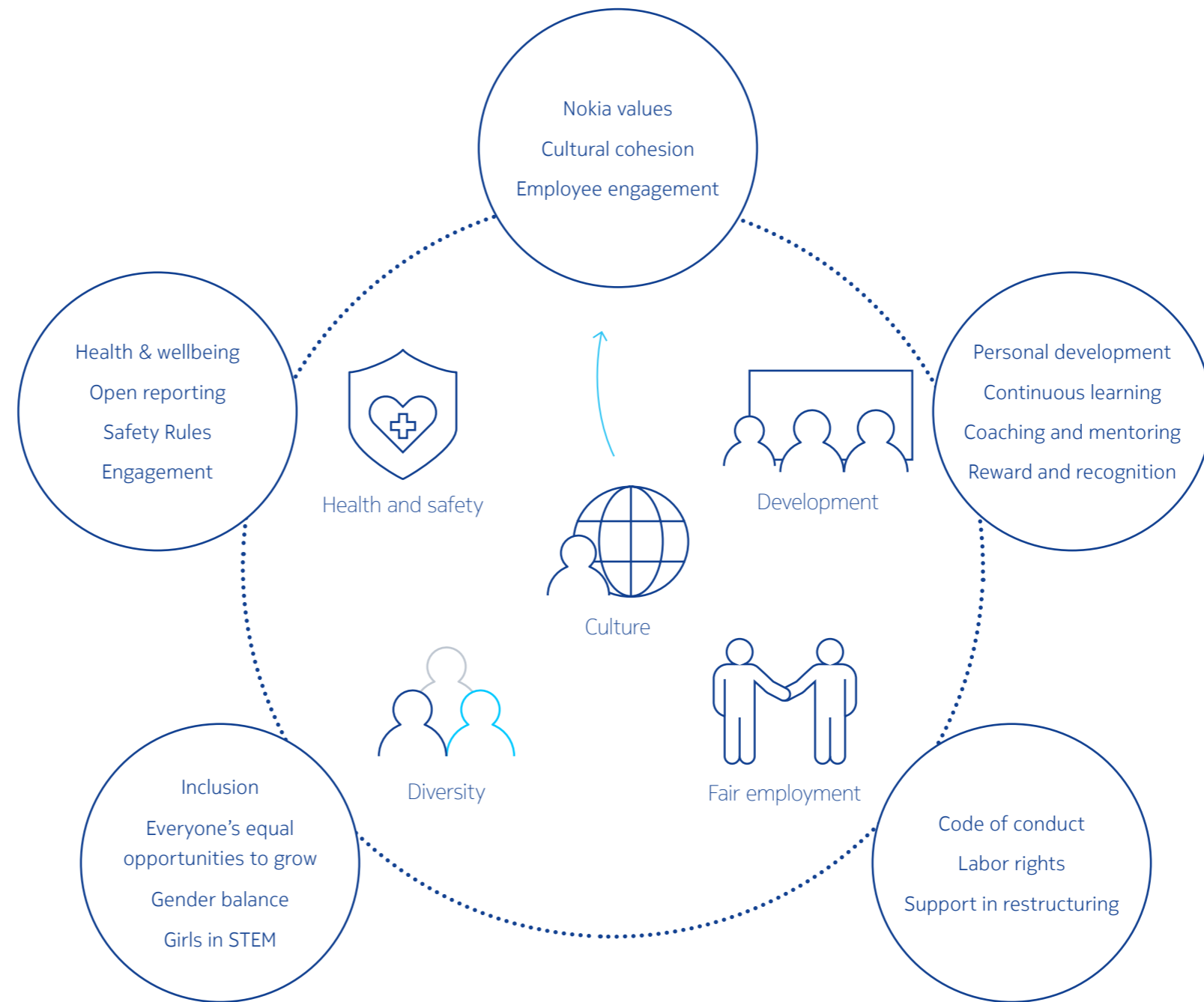
people worldwide by signing the UN Standards
of Conduct for Business

2.2





million training hours
to our employees

Respecting our people




High performance and high integrity underpin our culture supported by our vision, brand, and values.



Our commitments, targets, and performance

Priority area	Material topic	Targets	Achievements 2018	Status
<p>Respecting our people in everything we do</p> 	Employee satisfaction, Engagement and Development	<p>2020 Sustained focus on CEO-sponsored Nokia Culture Principles.</p>	<p>In 2018 we continued to measure the favorability of employee perceptions with an anonymous employee survey (CCT). The two CCT target question scores (company direction = 80 percent, culture direction = 79 percent) remain in the green, albeit the average for % favorability for these two CCT target questions was 2% down from 2017. ✓ Assured</p>	 Ongoing - on track
		<p>2020 Nokia to be the employer of choice (in our size) for all of our major hubs in locations around the world and become the best regarded employer in our industry globally.</p>	<p>Nokia Location Development (LD) is the global program aiming for every location to be recognized locally as Employer of Choice and Hub of Innovation. LD covers location specific improvement actions. Locally, volunteers from each Nokia organization team up as one team to make it happen, The Location Head is the project leader. The program focuses on: Local Attractiveness, Local Best Employee Experience and Engagement, Ensuring One Nokia culture across Business Group and across functions locally.</p>	 Ongoing - on track
		<p>2020 Foster the spirit of employee volunteerism across the company and increase their engagement.</p>	<p>Guidance to all employees on volunteering is provided through our Volunteering guidelines. In 2018, our employees contributed around 18 500 hours of volunteering in paid working time, significantly up from 7 500 in 2017. In 2019 we look forward to encouraging and supporting more local programs around the world where our employees volunteer.</p>	 Ongoing - on track

Our commitments, targets, and performance

Priority area	Material topic	Targets	Achievements 2018	Status
<p>Respecting our people in everything we do</p> 	Employee satisfaction, Engagement and Development	<p>2018 Introduction of the renewed Employee Engagement model with increased frequency and depth.</p>	Initiative was cancelled. No new engagement model is going to be introduced.	 Not achieved
	Diversity, inclusion and anti-discrimination	<p>2020 Increasing the percentage of women in leadership by 25 percent (baseline 2016).</p>	<p>In 2018, we had 15.3 percent women in leadership positions, down from the 2016 baseline of 15.5 percent. We continue working, within our five-year gender balance action plan, towards the 2020 target.</p> <p>✓ Assured</p>	 Ongoing - not on track

Who we are

At the end of 2018, we had around 101 200 employees in 119 countries. Three percent of employees were located in our headquarters in Espoo, Finland.

In addition we outsource certain non-core activities and/or use subcontractors to meet customer needs or volume demands. At end of 2018 the number of temporary workers (external temporary labor, ETL) used for example to cover sickness was in the region of 4 500 people. Activities performed by externals, be them ETL or subcontractors, include for

example, consultants supporting different tasks in our business groups and support functions, facility service providers, security guards and IT support. Externals are not covered in any of the employee sections of the report, but instead included in the responsible sourcing section.

During 2018

 **101 203**
employees in the year-end
(102 761 in 2017)

 **22%**
of employees were
women (22% also in 2017).

 **166**
different nationalities
worked in Nokia.

 **96%**
of employees had
permanent contracts (the
rest were trainees or had
fixed-term contracts)
(98% in 2017).

 **8 849**
employees were hired,
leading to 10% rate of
new employee hires
(9 430 in 2017).

 **9 988**
employees left Nokia,
leading to a 11% total
attrition rate (10 033 in
2017).

Ten biggest Nokia countries by number of employees

Country	% of employees ¹
India	16%
China	16%
USA	11%
Poland	6%
Finland	6%
France	5%
Germany	4%
Russian Federation	3%
Hungary	2%
Canada	2%

¹ At year-end 2018

Making Nokia a great place to work

Our core culture - common aspects



Drive

Passion for results, customers, and products



Dare

to earn and renew



Care

for the team before self

The market for skilled employees in our business is extremely competitive. Our workforce has fluctuated over recent years as we have introduced changes in our strategy to respond to our business targets and our endeavors.

Such changes and uncertainty have caused, and may in the future cause, disruption among employees as well as fatigue due to the cumulative effect of several reorganizations over the past years. As a result, we believe it is essential that we work on creating a corporate culture that is motivational, inclusive, and encourages creativity and continuous learning to meet challenges.

We foster a culture of high performance and high integrity, guided by our vision, brand, and values. It is through our people and culture that we shape technology to serve human needs. Our pursuit of performance with integrity and sustainability – a culture that stems from our Finnish roots – is key to why our customers and partners choose to work with us, and why our employees work for us.

Common shared cultural principles and focus on Drive, Dare and Care is the cultural platform we

use to shape our core common culture. We focus on selected business priorities and the behaviors which drive them best. For example, to drive relentless value creation and execution we need improved decision making; to have the attitude of entrepreneurs we need our people to feel empowered and autonomous; and to excel in team work we need to share and act inclusively.

To strengthen these behaviors we have facilitated activities to make them more applicable.

All company-wide guidance on our cultural direction, how we define it and what our employees think, are found on our internal global culture site. The site also provides a lot of support materials and resources for Line managers, teams, and employees.

Our pursuit of a common culture and high performance is always done in accordance with our values of:

- **Respect:** Acting with uncompromising integrity, we work openly and collaboratively, seeking to earn respect from others.
- **Challenge:** We are never complacent. We ask tough questions and push for higher performance to deliver the right results.
- **Achievement:** We take responsibility and are accountable for driving quality, setting high standards, and striving for continuous improvement.
- **Renewal:** We constantly refine our skills; learning and embracing new ways of doing things and adapting to the world around us.

Integrity is fundamental to how we internally work and what we provide for our customers. Particularly in the standards-driven world of network technologies, the choice that customers make are often less between different products, and more between different relationships. We stand out as a trusted customer partner, sustaining long-term relationships through our proven ability to deliver, and fostering a level of trust we work relentlessly to earn and keep.

Engaging and working with our people – the Nokia Way

In 2018, Nokia Way manifested itself in initiatives which helped apply Drive, Dare, and Care. We concentrated on global webcasts featuring our Global Leadership team members, educational and fun cartoon strips to depict everyday situations where people chose the most culturally suitable one, a roving reporter who discovered true cases of the company spirit, and on applied neurosciences solutions to enhance bias free decision making and improved communication in teams.

Nokia Way global core culture webcasts had 20 000 active participants who provided more than 8 200 comments. The cartoons inspired more than 22 000 people who actively participated in Yammer conversations and the applied neuroscience solutions were used by more than 10 000 people, of which some 4 000 were line managers. The change facilitation in the businesses continued with 46 000 people participating in the change map survey, and 600 trained change managers facilitated better change leadership.

According to the latest results from our tracking of our culture cohesion, this has led to a good overall culture cohesion across, and belief in, our company, and a strong shared awareness of our Drive, Dare, Care mindsets and culture principles. Most pleasing is that we have seen significant improvement in the Dare related areas, where people have said we need more attention.

Our cultural progress and evolution is monitored with a company-wide employee survey, called the Culture Cohesion Tracker (CCT). The CCT's purpose is to measure [via aspirational cohesion ranges] employees' perceptions of our company and cultural direction. CCT results give us a continued quantitative and qualitative employee feedback loop on a wide variety of important topics.

Furthermore, the CCT helps identify areas of momentum that may be a cause for celebration inside the company and challenges we may face that imply a need for continued focus. The CCT was held during March and September 2018. Results were used to help each of the business groups and regions update and refine their own respective culture roadmaps, for the sake of effective communications about strengths and taking actions on prioritized challenges.

All 2018 results below are now inclusive of the Nokia Shanghai Bell (NSB) joint venture, which participated for the full year in both 2018 survey rounds. Generally, the inclusion of NSB had a positive effect on 2018 survey scores.

The most important questions in the CCT are the following two target questions, which remain in the green during 2018.

The arithmetic average for % favorability for these two CCT Target Statements is 79.5 percent, down 2 percent and we are using this average when needing to report one value for employee engagement.

The overall CCT result rose 1.5 percent, from 82 percent to 84 percent favorability towards the company between 2017 and 2018, bolstered by the inclusion of Nokia Shanghai Bell (NSB) results.

Cohesion ranges

- 85> Excellent engagement, strong cohesion
- 73> Good engagement, solid cohesion
- 64> Moderate engagement, fluctuating cohesion
- <64 Concerning engagement, weak cohesion

“Overall, as a company, Nokia is heading in the right direction” was 80 percent favourable, down 3 points from 2017.”

“Overall, Nokia’s culture is heading in the right direction” was 79 percent favorable, off one point from 2017.”

Human capital development

Given the competitive market we face in finding and retaining skilled employees in our business, it is essential that we continually develop not just our culture, but also our talent management, performance support, and career development.

Our performance and talent management approach, called Nokia People Focus, enables the company to have a strategic and integrated framework to company goals, individual performance, talent management, career development, reward, and recognition. We are committed to people development and career growth. Regular manager and employee dialogs (1 in 90 dialogs) focus on five key areas including goals, feedback, wellbeing, development, and coaching.

Our forward-looking approach to talent development starts with all employees as well as development of top talent. All managers recommend development proposals for employees, outlining clear actions for the coming 12 months. We encourage employees to complete a Personal Development Plan (PDP) in discussion with their line manager. Personal development is key to retaining and engaging our employees and developing their skills.

Nokia People Focus aims to build a high performance, high integrity culture across the corporation.

End-2-End Employee Experience

In 2018 we focused on employee/user experience to make our people practices available, transparent and applied by ensuring they are agile and fit for purpose. We conducted interviews with employees to identify and validate pain points, excitements, and what they value or what we should discontinue. Based on this, we continued to simplify our performance and talent area, personal and career development, and how we communicate and engage our employees.

Annual Development Review Simplification in 2018

In Nokia we encourage managers to recognize performance, celebrate achievement and talk about employee's potential and career aspirations as well as plan for their development in the coming year. In 2018 we rolled out a further simplified Annual Development Review including automation of the process, simplified forms, improved user-interfaces, and focused communications and training with the object to reduce the administrative tasks and maximizing line managers time to focus more on the important dialog and feedback stages.

In 2018, 99 percent of all employees had an approved talent and performance assessment against a 94 percent rate in 2017. 2017 is the second year of the new integrated people processes and the introduction of a new simplified talent and performance assessment to our whole employee base.



Future Talent Growth

In 2018 we focus on talent identification and growth beyond the top 300 leaders. We profiled rising talent and high potential individuals and with a focus on succession opportunities, talent rotation, diversity and preparing Generation Y for senior positions. Criteria for consideration of talent included aptitude as a future top 300, rising stars (high performers, high potentials), fast trackers, key value creators and candidates who are on multiple succession pipelines.

Personal and Career Development – UI/UX program

Personal and Career Development is a high impact topic affecting retention, productivity and engagement, while scoring rather low on the CCT (Culture Cohesion Tracker) results. Therefore, we have focused on the design and implementation of UI/UX program dedicated to the area of personal

and career development. For 2018–2019, we have set three priority areas to improve the user experience: maximize the value of our current offering in personal and career development, make our user interfaces more convenient and personally significant, and broaden focus to meet the needs of different user groups. With focused communication and training, we created more visibility to employees on our service offering, increased the awareness and make our service offering more easily accessible, relevant and engaging. We can expect reduced attrition (e.g. especially for new hires and top talent), increase the Human touch in Human Resources and higher engagement (e.g. improved CCT results).

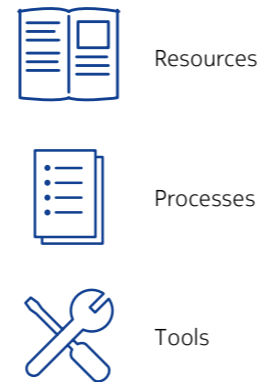
Leadership development

Our leaders are redefining themselves to stay relevant in a business world characterized by change, uncertainty, and new opportunities.

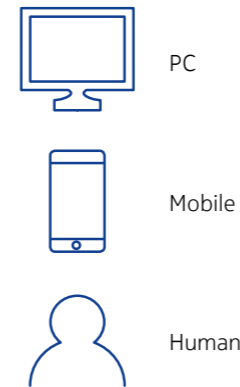
Our world in which we lead is an “and-or” not an “either-or” proposition – leaders are expected to be less authoritative and more supportive and challenging. They need to manage and lead, to control and let go, to lead by doing and empowering, to know and not know, and to tell and listen. To this end, we invest in the development of our leaders.

We deliver leadership programs across all levels from aspiring leaders to senior executives. Leadership programs are differentiated according to leadership levels and competencies. The company provides self-enrollment and nomination-based programs. The self-enrollment programs target aspiring leaders to senior leaders. The nomination programs target

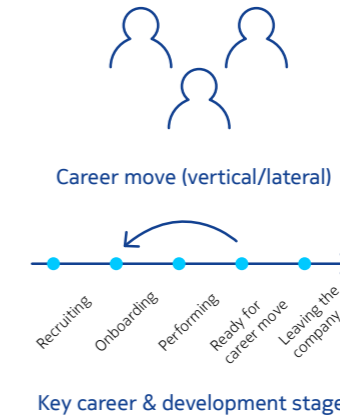
Personal & career development offering



Channels & user interfaces



Users & user journeys



executives and high potentials with “fast track” or “ready for next step” development plans. The nomination programs also include our Coaching for Success and Coaching for Growth programs to help our leaders lead in the 21st century, by not solving challenges for others, but helping others solve their own challenges. Our leadership programs aim to provide the mindset and skills for leaders to engage and inspire individuals and teams in a changing environment.

Some of our leadership programs seek to immerse leaders in experiential journeys which include external company visits to learn how other companies and leaders are doing in the space of Internet of Things (IoT) and to identify new opportunities for our company.

2018 Leadership Development Figures from Aspiring Leaders to Senior Leaders (excluding nomination-based programs)

- 14 percent more face-to-face workshop sessions than in 2017
- 22 percent more technology enabled virtual sessions than in 2017

In partnership with Harvard Business Publishing we have successfully introduced technology enabled virtual, 4–10 week leadership development journeys. Already close to 50 percent of the learners in senior leader level participated in an HBP program in 2018.

We leverage technology to bring online learning solutions to employees’ fingertips for immediate, relevant and best content.

3 862 Nokia leaders were developed in 2018 through Corporate leadership programs

Target group	Aspiring leaders	First Line Leaders	Leaders of Leaders	Senior Leaders	Executives	Several levels of leaders	Total
Number of individuals developed ¹	683 (+15%)	1 557 (+4%)	846 (+8%)	212 (-5%)	209 (-36%)	355 (+52%)	3 862 (+9%) ²

¹ In parentheses change to 2017.

² 24% of the participants were female.

346 leaders participated a new program called Communication, Collaboration and Coaching rolled out in 2018. The program was designed to support leaders with the challenges of constant change in a new agile environment.

Chatbot in Human Resources Digitalization and AI opportunities

In 2018, we introduced a new Global HR chatbot and a Finland HR chatbot. This now enables 24/7 HR service for selected global HR topics, and also available for all Finland employees. With the help of new chatbots, employees can get the relevant information faster, more easily and in a more condensed format. In addition, we understand better and faster what employees are asking for, and also get faster feedback on HR services.

NokiaEDU

The primary objective of NokiaEDU is to create a learning culture across the company, where our employees, customers, and partners can easily access relevant learning solutions. NokiaEDU works in close collaboration with its internal and external

stakeholders to understand their business objectives, develop essential competencies and recommend learning solutions to address performance gaps. Should an existing learning solution not meet the needs, a new learning solution is designed, developed, and delivered.

In 2018, NokiaEDU delivered 2.2 million training hours to our employees (1.6 million in 2017). Consistent with its digitalization strategy, about 75 percent of employee training was technology-enabled, saving the company time and money over traditional classroom training. Virtual instructor-led training accounted for 19 percent of employee training, compared to 21 percent in 2017.

NokiaEDU also provides training to customers and partners, which in 2018 totaled 770 000 training hours (838 000 in 2017). Our training not only instructs how to operate and maintain our products, but also includes more general technology training on topics such as Internet of Things. Overall, NokiaEDU learning solutions received a user satisfaction score of 96.9% in 2018 (97.7% in 2017).

In 2018, NokiaEDU targeted an increase in digital self-paced learning methods:

- overall learning for Nokia Employees Hours increased by 51 percent year-on-year
- overall average learning hours per learner increased from 16 hours in 2017 to 30 hours in 2018
- increase online learning unique registrations: Target: +20 percent. Result: +58 percent
- increase in virtual classroom sessions: Target: +25 percent. Result +29 percent
- increase in use of managed learning communities: Target: +20. Result: +28.
- development and execution of AR/VR solutions: Target: +5. Result: +10

Due to the fluctuations in headcount across the year, you cannot directly compare point 1 against point 2. Covers only “completed learning” via Nokia’s central learning hub and not “self-declared” learning as we have no way to validate that.

Learning Index

NokiaEDU's approach to creating a company-wide learning culture is driven by the Learning Index, an innovative application launched in 2018 to automatically and continuously monitor an individual's learning and sharing progress.

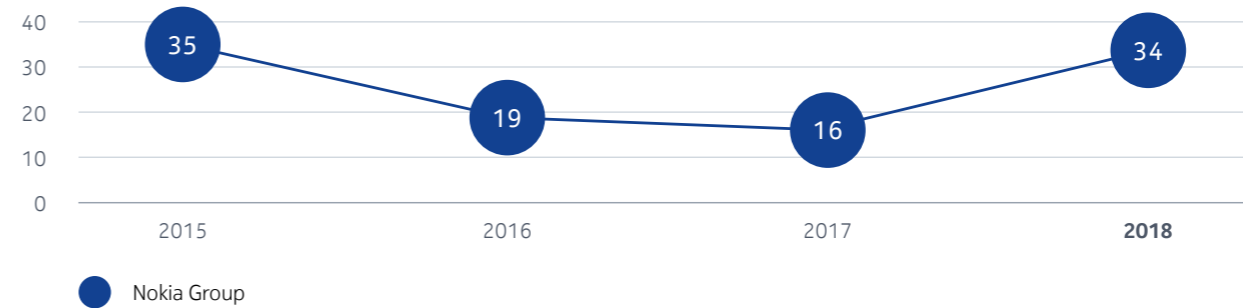
Following the principle of "What gets measured gets done," the Learning Index awards points for completing Defined, Recommended and Freestyle Learning, as well as Self Declared Learning and Social/Community Learning and Information sharing sessions.

Nokia's greater focus on professional development supported by the Learning Index resulted in a 48 percent increase in employee learning over its 2017 total recorded as formal completed learning, yet an overall 113 percent increase that includes learning that was completed outside of the formal learning environment, resulting in an increase from 16 hours to 34 hours of learning per person on average. NokiaEDU will continue to expand the reach of the Learning Index in 2019.

Personalized Learning

In response to numerous requests for improved access to relevant learning, NokiaEDU launched a Personalized Learning feature to the company's Learning & Development Hub. A complement to trending learning found in The Learning Store, Personalized Learning uses Machine Learning and social collaboration to offer relevant and engaging content.

Average number of training hours per employee more than doubled from 2017 to 2018



"Bravo! Best event of the year at Nokia."

2018 Global Day of Learning Participant

In addition to Personalized Learning, NokiaEDU introduced a number of improvements in 2018 offering a more cohesive and user-friendly experience for learners. This comprehensive initiative features a new askEDU chatbot designed to accelerate speed of responsiveness to learning-related inquiries.

Case: Global Day of Learning

Our third annual Global Day of Learning (GDOL) was a special event dedicated to reinforcing our culture of learning and our core value of renewal. It presented a unique opportunity through a full day's schedule of virtual and in-person learning events, where our leaders highlighted how we are shaping our company and the future of technology. At the end of the day, our goal was for all employees to gain a better understanding of our strategy, how different parts of the company contribute to it, and what we need to do collectively to realize our ambition. In the days following the live event, all the recordings of the sessions were made available as part of the Global Day of Learning Encore. The 2018 Global Day of Learning gathered 31 082 webcast participants across all sessions (53 percent increase over 2017), and 92 percent stated they would participate in another GDOL.

Ensuring decent working conditions and fair employment

We uphold high standards of ethics and rights in our own internal activities, and aim to treat all our employees in a way that satisfies internationally recognized ethical and responsible business practices, customers, investors, partners and the relevant legislation, whether global or local.

A management framework for labor conditions

We understand it is our basic responsibility to provide decent working conditions and to be seen to be fair and just in how we treat our own people. Our Code of Conduct provides the basis for our labor conditions and is underpinned by Nokia Global Human Resources Framework and local employment laws, policies and practises. We adhere to the United Nations Universal declaration of human rights and the Global Compact and wherever we operate we meet the requirements of labor laws and regulations, and oftentimes strive to exceed those laws and regulations.

We publish information related to policies and guidelines on our intranet.

We are aligned with key elements of the social accountability standard SA8000. Our policies,

Standard Operating Procedures (SOP), and Code of Conduct are implemented to help achieve the high standards we have set ourselves. The policies cover:

- Child labor avoidance
- Forced labor avoidance
- Freedom of association and collective bargaining
- Non-discrimination
- Humane treatment
- Working time
- Disciplinary practices
- Compensation
- Occupational health and safety.

This approach is also applied to our suppliers and partners. You can read more on our supplier practices under Responsible Sourcing.

Zero tolerance for child and forced labor

We have a strict policy against using child labor and zero tolerance to all forms of forced, bonded, or imprisoned labor in our own operations and our supply chain. Where such a potential risk is identified, it is thoroughly investigated, and a remediation plan is put in place based on SA8000 recommendations. For more information on child and forced labor, see Conducting our Business with Integrity.

Per recruitment policy and practice the identity and age of candidates are checked at hiring to ensure that the terms and conditions of employment are in accordance with local legislation as well as with the internationally accepted labor standards. Proof of identity and age are part of minimal vetting standards.

Freedom of association and collective bargaining

In line with our Code of Conduct, we respect the right to collective bargaining and freedom of association. Collective bargaining agreements are local, and in the vast majority of countries where we have collective bargaining agreements, those also cover employees who have chosen not to be members of a union. Furthermore, employees are free to join, not join, or leave unions and associations of their own choice, and select their representatives in accordance with the local and international practices. Our management supports, encourages, and implements active, open communication and dialog with employees and/or employee representatives.

In countries where local works councils operate, we recognize their importance and work with them as required. We communicate regularly and continuously with employees directly as well as in specific meetings such as the European Works Council (EWC) in Europe. In annual EWC plenary meetings both employees and management are represented in the teams preparing and participating in the meeting. We also offer the opportunity for free elections where employees can choose their union representatives. All our production employees were represented by an independent trade union or covered by collective bargaining agreements.

Employee representatives are entitled to participate in trainings that are a necessity in order to take care of employee representative duties and to increase their awareness of trade union rights and obligations. Additionally, employee representatives are provided

the opportunity to use company infrastructure during the work day.

Below is a sample of countries where we operate and where 100 percent (or close to it) of the employees are covered by collective bargaining agreements.

- Algeria
- Austria
- Belgium
- Benin
- Brazil
- Burkina Faso
- Cameroon
- China
- Czech Republic
- Finland
- France
- Germany
- Italy
- Madagascar
- Mali
- Netherlands
- Niger
- Norway
- Portugal
- Romania
- Senegal
- Slovakia
- Spain
- Sweden
- Togo
- Tunisia
- Zambia

Non-discrimination

We do not tolerate discrimination in any way, shape, or form. We prohibit discrimination based on any personal attribute such as age, gender, nationality, opinions, memberships (such as membership or non-membership of a trade union), religion, or disabilities in all employment practices, including recruitment, promotions, training, and pay levels. Diversity is discussed later in the Diversity section of this chapter.

Working time

We do not permit our people to work more than legally allowed. We define regular working hours in accordance with local laws. Young workers from 15 to 18 years old or as specified by local legislation are not permitted to carry out work that may be hazardous, unsafe, or unhealthy, are not allowed to work night shifts, and have a maximum daily working time of eight hours. Working time is the time an employee must be available, ready to work and perform duties monitored and regulated by the employer. We provide guidance through the worktime standard operating procedure, and encourage project recording to address resource planning issues versus working hours. We guarantee the minimum one day off in every seven days in our production operations.

We take work/life balance seriously, providing training for managers on the signs and dangers of overload at work, as well as offering various extracurricular activities and facilities for sports, exercise, and wellbeing. We engage regularly with our employees on both a global and local level on these topics.

Disciplinary practices

We appreciate that our employees are generally motivated by their work, understand and follow our processes, and act consistently with our values and required standards of conduct and attendance. However, if an employee's conduct or attendance does not conform to these expectations, disciplinary action may be taken.

Our approach to disciplinary action, as stated in our disciplinary SOP, is to ensure fair and consistent treatment of all our employees. The procedure recorded in the SOP sets out the steps that may be adopted in relation to conduct and/or attendance issues. In cases where local law and/or collective agreement(s) require additional or different procedures, we follow local law and/or applicable collective agreements. We will not tolerate any form of physical, mental, or verbal abuse, or harassment.

Compensation

We pay at least the minimum wage or the appropriate prevailing wage, whichever is higher, comply with all legal requirements on wages, and provide any legally or contractually required benefits.

Furthermore, part-time or temporary workers are not excluded from our employee benefits plans due to the company policy or benefits practice. We have a strong focus on developing diverse talent across the organization. This includes pay practices which are regularly reviewed to align pay with performance, experience, and skills required for every position. Awareness raising on diversity,

that we included in training material to HR and managers during the annual salary review process, created a foundation for renewed success in this focus area.

This framework incorporates the following programs:

- The Everyday Excellence award, which has been created to foster a global and uniform approach to recognizing a colleague across the organization for on-the-spot peer-to-peer recognition throughout the year.
- The Business Excellence award is a flexible business driven award and is meant specifically for recognizing those whose contribution directly supports business objectives.
- The Premium award has a business-specific eligibility: Deal of the Month, Innovation, and Quality award programs are launched separately.

Our reward programs are designed to attract and retain key talents and engage our employees. They reflect our values, they are understood and valued by employees, and they contribute to our business success by balancing market competitiveness and affordability based on a total reward approach. These are performance driven (both on an individual and company basis), flexible, and fair. The key elements of our compensation structures are annual base salary, incentive/bonus programs, recognition programs and long-term incentives. For more information see the Compensation section.

Our approach to performance management and rewards highlights the importance of quality dialogue



between line managers and employees, and greater rewards for individual contribution. Our employee reward and recognition program, Recognize Excellence, empowers employees and managers with a discretionary budget to perform peer-to-peer recognition and rewards. Aligned with and underpinned by our values, this allows more frequent and less formal ways of recognizing individual performance. The Recognize Excellence provides a tool and a mobile application, which makes it easy to acknowledge the contribution of colleagues.

Share in success

We offer an employee share purchase program called Share in Success. Under the program, employees are given one free matching share for every two shares they purchase and continue to hold for 12 months. We aim to invite as many employees to participate in the program as possible, subject to local laws and regulations. In 2018, 36 percent of the eligible population in 68 countries chose to participate in the program. In 2019, it is intended the total number of eligible

countries will be 72 (out of a total number of 123 countries where we operate).

In 2017, we won recognition for this program from the World Centre of Employee Ownership with our flagship award of Best International All-Employee Share Ownership Plan 2017 and were also recognized by the Global Equity Organization for Best Use of an Employee Share Plan in an Emerging Market.

Recruitment

We have taken active steps towards promoting diversity awareness in the hiring process by rolling out a Diversity in Recruitment video for hiring managers to recognize and remedy bias in the selection process. Our approach is to ensure that we treat all candidates fairly and with respect. Candidates do not pay for recruitment costs. All recruitment costs are carried by Nokia. None of our vendors are charge candidates for recruitment costs.

Recruitment of new talent is key to implementing our strategy, supporting youth employment, and enhancing our contribution to the communities in which we are present through our traineeship programs. We also encourage and support internal development of our whole global employee population by promoting all non-executive job vacancies internally first, for a period of ten working days, prior to inviting external applications. In 2018, 51 percent of hires were internal, compared to 59 percent in 2017.

Gender diversity focused recruitment programs

We are committed to creating a dynamic work environment that values diversity and inclusion, respect and renewal, customer focus, and innovation. In 2018, globally, female share of hires stood at 23 percent out of the total hires, compared to 24 percent in 2017 and 21 percent in 2016.

To increase diversity for example in the India region, we have introduced various initiatives focused on recruiting diverse talent, both at the lateral and graduate level because we know that the success of our female employees is key to our success, and we are committed to supporting the professional goals and aspirations of our female colleagues. In 2018, in India, our graduate diversity hiring improved to 49 percent from 40 percent (2017).

Social media for careers

On our Global Careers social media channels we share stories from daily life at Nokia and show our culture through authentic stories of our employees. You can find us on LinkedIn, Facebook, Twitter and Glassdoor.

Glassdoor is an authentic career community where current and former employees anonymously share reviews addressing company culture, values, and what their working life is really like. The platform has a huge range of reviews covering: CEO approval ratings, salary reports, interview reviews and questions, benefits reviews, office photos, and much

more. They also post the latest jobs and allow for companies to have their own profiles to promote their employer brand.

We take our Glassdoor reputation seriously and are proud to score among the best technology companies. We have observed a positive evolution of our overall rating from 4.0 to 4.2 (scale from 1 to 5) in the last 12 months which positions us as an employer of choice on the market. Also 85 percent of the review providers indicated they would recommend us to their friends compared to 83 percent in 2017 and see our culture and values (4.2 compared to 4.0 in 2017) and work/life balance (4.3 compared to 4.1 in 2017) as two of our main strengths.

More information on recruitment and careers can be found at www.nokia.com/careers. Or visit us on [LinkedIn](#), [Facebook](#), [Twitter @NokiaCareers](#). Learn more at www.glassdoor.com/nokia.

Supporting young talent and apprentices

We value the importance of supporting graduate trainees and apprenticeships. We implement a range of programs in various countries where we operate.

Our approach is by definition local, as it is part of the local community identity. Below are a number of examples from around the world in 2018.

In Canada, our Future Tech internship is a seven-week program for high school students to work

alongside our engineering teams solving real, technical problems.

In the United States, we offer students exposure to the latest technologies and industry challenges in telecom today. It is part of our culture to train young people and integrate them into our teams.

In India, our University Collaboration Program offers customized learning experiences designed for our prospective young talents.

In the Middle East and Africa, we launched our female graduate program in early 2017 running until the end of 2018.

In China, we have the Nokia Club, which is a Cooperation with universities for talent development.

In Asia Pacific and Japan, we ran an internship program in Singapore with a total of seven interns between May and July 2018 and in the Philippines, we managed to hire 70 graduates into R&D positions.

For more information on these programs visit [Respecting people section](#).

International mobility

We have a strong global presence and concentrate on attracting and retaining the most competent talent. Based on the mode of operation and business needs, we balance local talent development with global mobility opportunities.

Global mobility is typically encouraged and enabled through short-term assignments or alternatively, if the need is long-term or even permanent, transfers under local agreements. This is reflected in the further decrease of long-term assignees, as in 2018 we had 334 employees on long-term assignments across the regions (compared to 397 in 2017). In 2018, we had 2 604 employees on short-term assignments.

Providing support during restructuring

The business environment Nokia operates in is a challenging one: the landscape remains tough and we are facing continuous price pressure from our competitors as the opportunities of the 5G era unfold. Following the successful integration of Alcatel Lucent and having achieved the synergy savings target in 2018, we are on the right strategic path. However, in order to reach our goals and maintain best-in-class cost leadership we must move faster and accelerate our strategy execution. To achieve that goal the company has announced a cost savings target of EUR 700 million to be reached by the end of 2020. Delivering against this commitment has required that we reduce the number of employees that we employ. These reductions are never easy. Throughout the process, we have made it a priority to provide support for those employees and to treat them with dignity and respect.

We have put in place extensive measures to limit the impacts of restructuring (including reorganizations leading to headcount reductions), such as:

- employees affected by restructuring are entitled to severance packages which are often higher than local statutory minimum.
- we support & encourage redeployment activities for impacted employees to find new job opportunities in the company, including re-training as necessary.
- we also offer career counseling and job search support outside the company.
- we offer employees continued training opportunities to maintain and develop their skills and competencies to meet the anticipated changes in business, markets, and the technology environment in which we operate.

The overall number of employees decreased by 2 percent by year-end, while the attrition increased by one percentage point to 11 percent, when comparing 2018 with 2017.

Diversity, inclusion, and anti-discrimination

We cultivate a globally diverse workplace culture of respect across six continents. We believe that a diverse workforce is our platform for greater innovation, superior organizational performance, and delivering excellent service to our customers. We believe in the power of global sharing of ideas and culture.

As stated earlier we do not tolerate discrimination. We prohibit discrimination based on any personal attribute such as race, ethnic origin, color, nationality, disability, religion, age, gender, sexual orientation, gender identity, characteristics, or expression, in all employment practices, including recruitment, promotions, training, and pay levels. We have a strong focus on developing diverse talent across the organization. This includes pay practices which are regularly reviewed to align pay with performance, experience, and skills required for every position.

In 2018, awareness was raised for the third year in a row on diversity by providing Gender Dynamics Workshops to Line Managers to make them aware of their biases, give them tools to mitigate them and make Nokia's leadership overall more inclusive.

We have a Gender Balance Steering Committee that makes decision proposals to the Group Leadership Team and steers our various gender balance programs. The GLT members took actively part in the high-touch global women leadership programs acting as mentors or sponsors to the Inspiring Women Leaders and C-Suite Prep participants.

At the end of 2018, Bloomberg made the decision to include Nokia in their 2019 Gender-Equality Index (GEI) for our transparency and commitment to advancing women's equality globally. The GEI is a comprehensive investment-quality data source on gender equality. With a Gender-Equality Index of 84.08 Nokia is ahead of the average of its peers (70.26 for the 26 technology companies listed).

Inclusion – highlights of our activities in 2018

- On March 8, the International Women's Day was celebrated across the majority of Nokia sites globally. The Village of Diversity published a special gamified chapter featuring strong female leaders and talents from within Nokia and outside. The gamification platform used was YOUnik, a game developed inhouse at Nokia to raise awareness on diversity and inclusion in an innovative way, by discovering human greatness and what makes everyone unique.
- In April, Nokia COO hosted a virtual event and jamming session to highlight the Three A's - Alzheimer's Asperger's and Autism. A lot of personal stories were shared, followed by discussions.
- On April 2, Nokia India started providing creche facilities for employees working across major

locations to help them balance the demands that come with being a working mother in India.

- In June, Nokia ran several global events during LGBT+ Awareness Month. There were variety of topics that related to speaking out for even greater inclusion.
- In July, Greenhouse hosted a unique startup X corporation event with its leading members.
- In September, Nokia employee group IDEAL (Individuals Dedicated to Enabling Accessibility in Life) hosted a Walk to End Alzheimer's in Naperville US to drive efforts and donations for finding a cure for Alzheimer's disease.
- In September, The Village of Diversity hosted a virtual event and jamming session about The Big C to raise Cancer Awareness with guest speakers sharing personal stories reaching ~3,000 active participants.
- In October, the U.S. Antenna (Women's Leadership Network), launched a US-specific StrongHer Award to recognize outstanding women in the organization.
- On November 16, we signed the UN Standards of Conduct for Business (unfe.org/standards), pledging our support for LGBT+ people worldwide.
- On November 19, we celebrated Men's Day at many sites including Espoo, Noida, Oulu, and Tampere sites. The event was celebrated with all the fervour to acknowledge the spirit of wonderful men around us.
- In November, the annual Greenhouse event in Munich took place with the intention to boost women networking in and outside of Nokia. More than 100 top female leaders from 30 companies attended to discuss why gender diversity makes

business sense. The theme of the event was “Are you IN³ - inspirational, intuitive, innovative?”

- On November 19, our Chairman, Risto Siilasmaa, signed the pledge of the European Round Table of Industrialists. This way Nokia wants to carry higher societal responsibility to decrease social inequality and to promote inclusion and diversity in the workplace and inclusive growth in Europe.

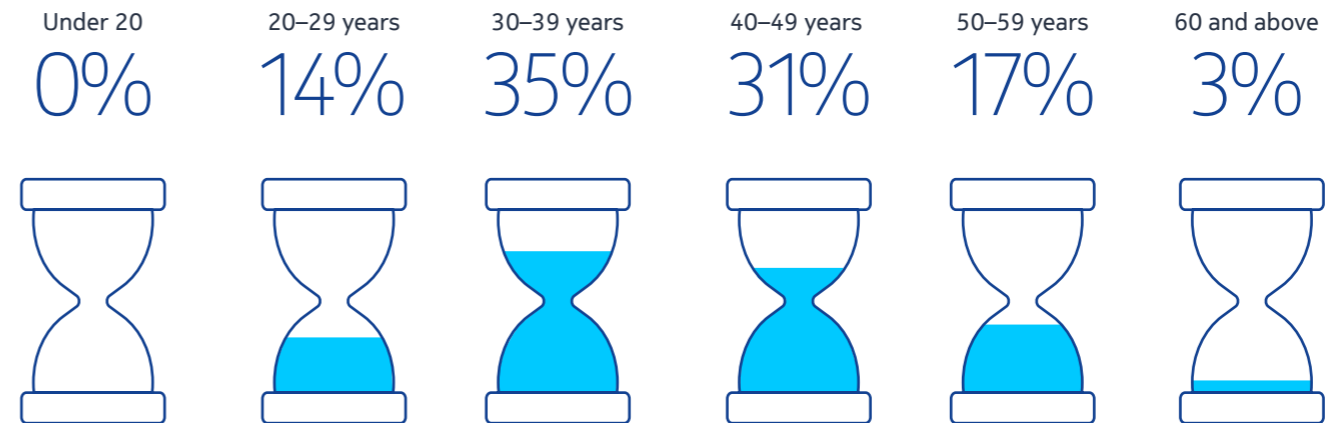
Gender balance

The diversity of our Board of Directors consists of a number of individual elements, including gender, generation, nationality, cultural and educational backgrounds, skills, and experience. We believe diversity is not a static concept, but rather a relevant mix of required elements for the Board as a whole that evolves with time based on, among other things, our relevant business objectives and future needs. Board diversity is treated as a means of improvement and development rather than an end in itself. At the end of 2017, the gender balance of our Board of Directors was 70 percent male and 30 percent female. Our aim was to have a minimum representation of 40 percent from both genders on our Board by 2020. We reached this milestone in 2018 with current representation of 40 percent female and 60 percent male.

In 2018, 15.3 percent of our leadership positions were held by women. In total, women accounted for 22 percent of our workforce. We are committed to:

- develop more talented women into leadership to bring the proportion of female leaders in every organization in line with the proportion of women in the workforce. We are running

Average age range of Nokia employees in 2018



two career development programs for talented women, who are undergoing one year's Executive Sponsorship, Mentoring, Networking and Executive Coaching. Among the alumni, 35 percent have moved on to higher level positions.

- support Nokia business groups, corporate functions and regions to develop their female employees and leaders and build a sustainable pipeline of female talents.
- foster a gender-neutral culture through training for leaders and managers on gender dynamics and unconscious bias, equipping them to best manage diverse teams and ensuring that all our processes and communications are gender-neutral and inclusive. In 2018, over 900 leaders and employees were trained on gender balance topics.

- participate in building a long-term female talent pipeline within the Information and Communication Technology (ICT) sector by helping to bring more women and school aged girls into Science, Technology, Engineering and Mathematics (STEM).

We hosted several G4G-events to drive the interest of 11–15-year-old girls for STEM. We collaborated with greenlight for girls, a non-profit organization focusing on driving girls' interest for STEM through interactive and fun workshops. In 2018, we invited around 1860 girls to experience a day of science at Nokia hosted by 600 Nokia volunteers.

In addition, our location teams also participated in the ITU initiated Girls in ICT Day and Girls Coding Day.

Here are some highlights:

- Throughout the year 2018 greenlight for girls events were organized at Nokia sites in Paris-Saclay, Murray Hill, Shanghai, Hangzhou, Madrid, Espoo, Tampere, and Oulu among other locations.
- In April 2018, Nanjing technology center participated in the international event of ITU called Girls in ICT Day, opening its door to 27 female students from Nanjing University of Posts and Telecommunications. The students visited the Nanjing R&D office and lab and enjoyed various technology workshops. Three female experts and Nokia role models shared stories from their career paths and examples of personal choices with the students. At the end, most of the participants enrolled for an internship program at Nanjing Technology Center. Also, Nokia Beijing opened its doors for 200 girls to engage in active planning of their careers in STEM.
- Greenhouse in Nokia in Germany hosted a Girls' Day, for girls over 10 years old, featuring workshops and various product stations, making engineering and technology very practical and interesting, as well as discussions about how to build a career path in STEM. It took place across four Nokia sites in Germany and hosted >200 girls.

Greenhouse and StrongHer – employee networks that promote gender balance

Greenhouse is a women's network for female Nokia employees as well as externals. The network kicked off in 2010 with the aim to put the best females forward and to connect talented women within Nokia

and across other firms. Within this network women connect, share and support each other. There are approximately 180 female leaders in this network, mainly in Europe, but spanning 12 countries in total.

Greenhouse wants to:

- discover, unveil, foster and grow women's potential
- promote women in their career
- enrich our skills via Workshops, Fireside Chats and Network extensions
- offer best-fit female talents for the organization
- place the right, qualified and successful ladies in top management
- provide a lifetime membership to encourage best possible networking and mentoring.

The Greenhouse vision for 2030:

- Women around the globe are connected via networks
- 50 percent of companies are run by women
- Empowered women in leadership roles are normal and we'll stop spotlighting them

In 2018, Greenhouse, started a cross-industry initiative to link women across 17 corporate women networks. Companies connected are for example Allianz, BMW, Deutsche Bank, Infineon, Kuka, Microsoft, M-Net, Siemens, SWM, and Unicredit, as well as several startups.

In 2019 and beyond our Greenhouse will be intensifying the work in the ecosystem across corporations, innovation and internationalization, while growing the network with further highly

qualified female leaders. A new monthly series of career workshop kicked-off to up the women's business acumen, presentation skills and technical knowledge across key themes.

StrongHer is an inclusive employee network aiming at a company where women have the same opportunities as men and are well represented in all business domains and functions.

Initiated and led by employees for employees, StrongHer is a multi award-winning initiative which contributes to women's empowerment, helping them unleash their potential and magnify their business contribution, and increase the representation of women at all levels and in all job functions in our company.

The network is a grassroots movement created in 2011 by six female employees in France and is open to all employees, men and women, executives and non-executives.

Statistics as of January 2019:

- 3 000+ members
- 70 countries on five continents
- 43 active chapters led by a community of 90+ leaders
- 24 percent male membership.

StrongHer advances gender diversity by offering networking opportunities, personal development, and a think-tank on leadership and management. It also provides exposure to diverse role models for women

and men, along with business contacts within and beyond the technology sector. StrongHer has been an eye opener on the many causes for low representation of women in the ICT industry and in leadership roles. There is not just one glass ceiling, but some often-occurring explicit or more implicit patterns and reasons that are encountered at various stages of women's lives and careers, caused by others and women themselves. StrongHer works on three axes: DARE, ACT, and INSPIRE.

To ensure impact on the three axes, StrongHer builds and deploys its emblematic worldwide programs in partnership between its network of worldwide chapters, Nokia Diversity & Inclusion organization along with the support of Nokia Executives:

- StrongHer Awards to spotlight talented women role models
- Knowledge, Information and Wisdom for employees with KIW-e Mentoring program to help employees promote innovation through the creation of an expert community to share business issues and improve visibility
- KIW-e webcast where executives and experts shared business relevant knowledge
- A charter for managers to explicitly walk-the-talk on gender balance, to publicly commit to take gender inclusive actions and become certified champions of the StrongHer values.

In 2018 StrongHer organized 120 local events with attendance by 5 600 employees worldwide, notably events in collaboration with external companies or networks including Capgemini, Deloitte, HP, Randstad,

Renault, Sanofi, EDF, Nestlé, Sodexo and customers like Vodafone and AT&T.

Following the GEM-TECH Award received from the International Telecommunications Union (ITU) and United Nations Women (UN Women) community, StrongHer has been invited to be part of the Advisory Board of the EQUALS (formerly GEM-TECH) Award since 2017.

StrongHer was awarded in 2018 DonaTIC award for Women in IT in Spain, initiative from the Government of Catalonia.

Black economic empowerment

In South Africa we are committed to good governance practices, transparency, and compliance with all Broad-Based Black Economic Empowerment (BBBEE) codes of good practice. We have an obligation to promote Black Economic Empowerment Programs, and also to ensure alignment to our group diversity programs. Hence through our BEE plan, we always commit to achieving specific BEE deliverables and actual target percentages for each deliverable.

Priority deliverables of the five BBBEE elements:

- We strive to comply with the minimum requirements of these priority elements)
- Ownership – We continue to maintain our effective black equity ownership with 31 percent black women ownership.
- Enterprise development – We continue to contribute to the development of smaller black

businesses to help them grow, ensure their sustainability and assist with job creation. We have a committee that continuously review the impact of our interventions/support and the success of those businesses.

- Skills Development – We established a dedicated and sustainable skills transfer program aimed more importantly at developing women with potential for advancing in leadership roles within the company. We have implemented learning programs for blacks including black women and disabled learners.

We also strive to implement a targeted procurement strategy geared to increase procurement spend from companies which have made significant progress in the area of BBBEE. Our community investment activities are managed by a dedicated committee to manage the initiatives linked to the socio-economic development of South Africa's disadvantaged communities.

We also have targets to increase the ratio of blacks in the company and we continuously measure achievement, equally importantly, women in leadership positions. As per our plan, we want to ensure we achieve our targets through our recruitment process and internal promotions. To achieve our target, we have a local Vetting Committee which evaluates and manages the appointment of new employees according to our BEE Management Control plan. We have also put in place targets for a women's graduate program as a plan to improve our women ratio and ensure a robust women talent pipeline.

LGBT+ inclusion

In November 2018, our company officially declared its support of the United Nations Standards of Conduct for Business and is the first company in Finland to do so. The standards are a framework for businesses to prevent discrimination based on sexual orientation and gender identity. This marks a significant step in our journey to take concrete actions to foster an inclusive workplace where everyone can be their authentic selves.

EQUAL! (the Nokia LGBT+ Employee Resource Group) is an educational and support group for our employees who are lesbian, gay, bisexual, transgender and other related groups (LGBT+) or who have family, friends, or colleagues who are LGBT+. 2018 was another year of expanded reach for EQUAL! through the internal employee social network with members roughly doubling in number, and expanded activities including:

- LGBT+ awareness month content which included three company-wide events to raise employee awareness on best practices, allyship and a more global perspective on what it means to come out.
- Increased visibility with the LGBT+ rainbow flag flown on several Nokia campuses (Paris-Saclay, Ottawa) during Pride Month and a pilot run of LGBT + Allies rainbow Nokia lanyards to express support to LGBT+ colleagues, and spark discussions of what inclusion means at Nokia.
- Several local events in Nokia sites (Budapest, Ottawa, Paris-Saclay) to bring up the topic of LGBT+ inclusion.

Equal opportunities for disabled employees

France - Mission Handicap

In France, the Mission Handicap program, designed in 2006 to better integrate disabled employees into the workplace, was established to meet the legal quota of 6 percent of disabled employees in French companies.

The program includes several action plans such as hiring activities, equipment adaptations, tool or facility accessibility, training of employees including managers, HR recruiter and colleagues, digital accessibility sensitization, as well as communication and awareness sessions for all employees. Nokia France reached a ratio of 4.55 percent of disabled employees by the end of 2018.

@talent Egal

We co-lead @talentEgal, a non-profit association gathering together Nokia, Safran, SII, Dassault Systèmes, GE Healthcare and several universities/ engineering schools in France. @talentEgal helps disabled postgraduate students gain employment by providing them with training, internships, or other forms of work experience. Learning through mentorship by partner's employees helps students reduce their self-censorship, improve their skills, and enables them to be prepared for successful occupational integration. Several of our employees accompany students and mentor them in developing their soft skills, their English skills, and their knowledge of the job market. In 2018, @talentEgal helped 78 disabled students.

Germany

Providing equal opportunities for disabled employees is a proven and professionally established commitment in Germany. Company and employee-elected representatives for severely handicapped employees work together to coordinate processes and actions for training and awareness, job postings, recruiting, working environment, and external partner cooperation. We have a sustainable implementation and a current disabled quota of 4–5 percent.

Strengthening our health and safety performance

In our networks' businesses, employees and contractors face inherent risks when installing and maintaining equipment and constructing base stations on behalf of our customers. We focus on ensuring that all our employees and contractors are aware of the risks related to their jobs and receive the necessary training and equipment to work safely, whether in the office or on site. We address job-related health and safety risks through training, analysis, assessments and consequence management.

We have established a wide range of programs to improve our health and safety (H&S) performance, a description of which is available in a table on the next page, and encourage reporting of near misses and dangerous incidents by employees and contractors.

Our health and safety management system serves as a basis for our overall program and is an integral part of how we manage health and safety and is




certified with the internationally recognized OHSAS 18001 standard and certified by a third party, Bureau Veritas. The management system covers activities within all networks business groups, customer operations and supporting corporate functions. As of year-end 2018, coverage of employees within the scope of that certification was around 78 percent.

Group Leadership representatives review our health and safety performance on a regular basis through a Consequence management committee. These meetings are held to review all fatal and high-

potential incidents and to set strategic direction. In addition, our senior leaders are increasingly involved in matters of safety through regular reviews and site tours. We aim to create a culture among our employees and contractors that identifies hazards and supports active risk prevention and action, so that we can significantly reduce the number of incidents that occur.

Our health, safety and labour conditions policy can be found at www.nokia.com/about-us/investors/corporate-governance/policies.

H&S programs

Method		Purpose and benefit	Embedded in	Applicable to
High Risk Project Implementation Assessment (HRPIA)		For all projects where high-risk activities are identified (such as work at height, driving or electrical work), the hazards are highlighted and assessed. Appropriate controls are defined and implemented using a consistent assessment format and criteria called High Risk Implementation Assessment (HRPIA) with project teams, safety and relevant stakeholders such as procurement and quality. Examples of some of the areas assessed are: adequate resources assigned to ensure project for safe delivery, suppliers evaluated and qualified prior appointment, Nokia non-negotiable H&S requirements and rules are implemented, expectations are communicated to and apply equally to any supplier, and H&S performance monitoring along with operational performance is linked. This process is embedded in Nokia's Sales & Execute Process and is a required step in project deployment.	Sales & Execute Process	Nokia
Supplier Maturity Assessment (SMA)		Supplier Maturity Assessment (SMA) is an evaluation method to determine the suitability of the safety controls implemented by suppliers performing high-risk activities on Nokia's behalf. As part of Supplier Base Management, the SMA is a detailed evaluation, typically conducted face-to-face at a suppliers premises by H&S professional to determine capability by looking at specific put controls and processes in place. This provides Nokia with a measure of the H&S Management Maturity of the supplier and the results are provided to the procurement and project teams to understand the risk and controls in place.	Supplier Base Management	Nokia and Suppliers
Incident investigation		Understanding incidents is important part of the H&S program so that future incidents can be prevented. All employees and contractors are encouraged to report incidents including near miss, medical treatment and lost time incidents. All fatal, critical and high potential near misses are fully investigated and preventive actions are put in place to prevent a similar incident from occurring. Actions are reviewed regularly and are tracked to completion. All incidents are reported and maintained in the database.	Health, Safety, Security and Environment (HSSE)	Nokia and Suppliers
OHSAS 18001 Certification and Operational Reviews		Nokia has two main processes for assuring H&S. External assurance is done by Bureau Veritas for the OHSAS 18001 global H&S certification. Internally, assurance is done by performing internal audits and conducting Operational Reviews, which are a comprehensive review of country risk and operational controls in place.	Quality, Internal Audit Process	Nokia
Consequence Management		Supplier performance is a key part of the H&S program. Failure to comply with H&S requirements that can lead to a fatal or disabling injury, or a major non compliance with H&S contractual requirements are addressed as part of the consequence management program and may result in a warning to the supplier (yellow card being issued) or to the termination of contract and the phase out of the supplier (red card being issued).	Procurement	Suppliers
Quality Awards		Recognition of achievements in H&S is important to generate innovative ideas and encourage participation in the H&S program. People Excellence is the category related to H&S and is part of the Quality Awards.	Quality Awards	Nokia

Addressing key risks through training and assessments

Health and safety are embedded within our Code of Conduct and is therefore included in our Ethical Business Training. In this training we emphasize the importance of identifying and avoiding risks and reporting incidents. In addition, we run campaigns that focus on the key safety risks for our employees and contractors and encourage open reporting of incidents and near misses by contractors and employees.

In 2018, we continued to emphasize our non-negotiable rules called the Nokia Life Saving Rules, which include six simple safety rules related to our top risk areas: driving, working at height, contractor management, and electrical activities. By the end of 2018, 100 percent of suppliers delivering high-risk activity had been assessed using our H&S Maturity Assessment Process and 89 percent (81 percent in 2017) of assessed suppliers met H&S compliant supplier status. Please read more on the 2018 performance of the supplier H&S related programs in the Responsible sourcing section.

We continue to conduct project readiness assessments to more closely review high-risk projects in each market. In 2018 we conducted 224 reviews across all markets (cumulatively over 800 since 2016). The assessments are conducted with a team of key health and safety stakeholders and project team members, assessing project controls using a formalized process and assessment tool. Projects are scored and tracked to identify improvements as needed.



In our collaboration event in Dar es Salaam, Tanzania Work at Height video was demonstrated to give those not familiar with tower climbing the opportunity to experience it.

Our health and safety performance

In 2018, there was one (four in 2017) fatal incident resulting in the death of one (five in 2017) contractor/subcontractor personnel while carrying out work on our behalf. The fatality was related to working at height. Any such serious incidents while carrying out work for Nokia are unacceptable.

Lost-time incidents of our employees decreased by 5 percent between 2017–2018, while there were 39 incidents in 2018. It is a positive sign of our safety culture that at the same time, reporting of near

miss incidents by both employees and contractors increased by 9 percent, with 454 incidents reported in 2018.

Wellbeing

In order to thrive in the programmable world, we need to establish a framework that supports and enhances the changing nature of how, where, and when we work. We are focusing on driving sustainable business value through productivity, innovation, and creativity. Our ambition is to embed wellbeing into our culture in such a way that it is recognized as a

key enabler of performance excellence and business success.

Our health and wellbeing framework consists of three pillars:

Thrive aims to create a culture of wellbeing and empower everyone to make smart decisions so that they can thrive both as individuals and teams in our agile, digital workplace. During the course of 2018, employees participated in the Relay for Health step challenge, powering a virtual baton across multiple time zones and countries, connecting everyone in Nokia globally and putting wellbeing on the agenda for a day. Over 1 200 employees participated across 124 countries travelling approx. 77 000km.

Manage is about establishing globally consistent people management practices that recognize and proactively support positive wellbeing. Line manager training on issues such as workload and pressure helps our people managers to openly and confidently discuss wellbeing concerns with their team. This enables them to identify the sources of stress early and to proactively address them. Our 1-in-90 process requires a regular dialogue between line managers and team members to enable mutual feedback. Having included a specific discussion point on employee wellbeing and work-life balance, this provides the platform to agree concrete actions which are followed up in the next round of discussion.

Care is one of the building blocks of the Nokia Way. In wellbeing terms this means building consistent support services globally and providing timely,

professional care for every employee. We know that from time to time, everyone experiences situations that affect their general wellbeing, which can have an impact on their performance. We want to make sure we provide the best possible support in these matters. The Personal Support Service is Nokia's Employee Assistance Program (EAP) providing confidential, professional support to all Nokia employees and their immediate families on a range of emotional, practical and work-life issues.

World Safety Day 2018

As part of our drive to make Nokia a great, safe and healthy place to work, we also celebrated World Safety Day during the week of 23 April 2018 across the company. Kicked off with a video message from our CEO, we held local events at 50 of our sites with a variety of people-centric activities.

Collaboration and best practice in Tanzania

Work at height and technology, two of our core activities, were present in a two-day workshop in Dar es Salaam, Tanzania. 120 representatives from the operators, customers, the telecom regulator and suppliers worked together and shared knowledge about lifting techniques and practices. Our Virtual Reality Work at Height video was also demonstrated to give those not familiar with tower climbing the opportunity to experience it.

We design products that transmit and receive radio frequency (RF) energy. We ensure that our product portfolio, including macro cells, small cells and Wi-Fi, comply with established national and international standards and regulations on RF exposure. We provide installation procedures and training to those working for and with Nokia to ensure that equipment is installed correctly and radio wave exposure levels are in compliance with established exposure limits. We engage with customers and partners about RF exposure to our products and provide detailed instructions to ensure they operate equipment appropriately to keep the general public and workers' exposure below the established exposure limits. For more detailed information see Nokia RF exposure statement at

www.nokia.com/about-us/sustainability/downloads