

**PROPOSAL BY THE CORPORATE GOVERNANCE AND NOMINATION COMMITTEE FOR THE COMPOSITION OF THE BOARD OF DIRECTORS**

The Committee proposes to the Annual General Meeting that the number of Board members be ten (10), consistent with the provisions of the Company's Articles of Association. Based on past experience, the current business situation at the Company and the anticipated future needs of the Company, the Committee regards ten as an appropriate number of directors for the needed diversity in experience and skills to perform the Board's work effectively.

The Committee proposes that the following current Board members be re-elected as members of the Board of Directors for a term until the close of the Annual General Meeting 2018: Bruce Brown, Louis R. Hughes, Jean C. Monty, Elizabeth Nelson, Olivier Piou, Risto Siilasmaa, Carla Smits-Nusteling and Kari Stadigh.

In addition, the Committee proposes that Jeanette Horan, who is a former executive of IBM and Edward Kozel, who is an independent consultant and an investor, be elected as new members of the Board of Directors for a term until the close of the Annual General Meeting 2018.

All Board member candidates have been determined to be independent for the term starting from the Annual General Meeting 2017 under the Finnish Corporate Governance Code and the rules of the New York Stock Exchange. As customary, any possible changes impacting the independence assessment will be assessed as of the date of the Annual General Meeting.

The Committee's aim is to continually renew the Board to ensure an efficient Board of international professionals with a diverse mix of skills and experience. The Committee considers potential director candidates based on the short-term and long-term needs of the Company and of the Board and may engage search firms or advisors to identify director candidates.

Resumes of the Board member candidates are in Appendix 1.

The Corporate Governance and Nomination Committee will also propose in the assembly meeting of the new Board of Directors after the Annual General Meeting on May 23, 2017 that Risto Siilasmaa be elected as Chair of the Board and Olivier Piou as Vice Chair of the Board, subject to their election to the Board of Directors.

March 29, 2017

Board of Directors, Corporate Governance and Nomination Committee

APPENDIX 1

**ADDITIONAL INFORMATION RELATING TO THE PROPOSAL BY THE CORPORATE GOVERNANCE AND NOMINATION COMMITTEE FOR THE COMPOSITION OF THE BOARD OF DIRECTORS**

**Bruce Brown, b. 1958**

*Board member since 2012. Chair of the Personnel Committee. Member of the Corporate Governance and Nomination Committee.*

MBA (Marketing and Finance), Xavier University, the United States. BS (Chemical Engineering), Polytechnic Institute of New York University, the United States.

Retired from The Procter & Gamble Company in 2014. Chief Technology Officer of the Procter & Gamble Company 2008–2014. Various executive and managerial positions in Baby Care, Feminine Care, and Beauty Care units of The Procter & Gamble Company since 1980 in the United States, Germany and Japan.

Member of the Board of Directors of Agency for Science, Technology & Research (A\*STAR) in Singapore. Member of the Board of Directors, the Audit Committee and the Nominating and Corporate Governance Committee of P. H. Glatfelter Company. Member of the Board of Directors, the Audit Committee and the Compensation Committee of Medpace, Inc.

**Jeanette Horan, b. 1955\***

*Non-executive director*

MBA, Business Administration and Management, Boston University, the United States. BSc, Mathematics, University of London, United Kingdom.

Various executive and managerial positions in IBM 1998–2015. Vice President of Digital Equipment Corporation 1994–1998. Vice President, Development, of Open Software Foundation 1989–1994.

Member of the Boards of Directors of Wolters Kluwer NV and West Corporation. Member of the Board of Advisors of Cybereason. Member of the Board of Advisors at Jane Doe No More, a non-profit organization.

Member of the Board of Directors of Microvision 2006–2017.

**Louis R. Hughes, b. 1949**

*Board member since 2016. Member of the Audit Committee.*

Master’s Degree in Business Administration, Harvard University, Graduate School of Business, the United States. Bachelor of Mechanical Engineering, General Motors Institute, now Kettering University, the United States.

President & Chief Operating Officer of Lockheed Martin in 2000. Executive Vice President of General Motors Corporation 1992–2000. President of General Motors

International Operations 1992–1998. President of General Motors Europe 1992–1994.

Chairman of InZero Systems (formerly GBS Laboratories) (the United States). Independent director and member of the Audit Committee of AkzoNobel.

Independent director and chairman of the Audit, Finance and Compliance Committee of ABB. Executive advisor partner of Wind Point Partners.

Member of the Board of Directors of Alcatel Lucent SA 2008–2016.

**Edward Kozel, b. 1955\***

*Consultant to Facebook and investor*

Degree in Electrical Engineering and Computer Science, University of California, the United States.

President and CEO of Range Networks 2013–2014, Owner of Open Range 2000–2013, Chief Technology and Innovation Officer and member of the Board of Management of Deutsche Telecom 2010–2012, CEO of Skyrider 2006–2008, Managing Director of Integrated Finance 2005–2006, Senior Vice President, Business development and Chief Technology Officer and Board Member of Cisco 1989–2001.

Various Board Memberships in 1999–2009.

**Jean C. Monty, b. 1947**

*Board member since 2016. Member of the Personnel Committee.*

Bachelor of Arts, Collège Sainte-Marie de Montréal, Canada. Master of Arts in Economics, University of Western Ontario, Canada. Master of Business Administration, University of Chicago, the United States.

Chairman of the Board and Chief Executive Officer of Bell Canada Enterprises until 2002. President and Chief Executive Officer of Nortel Networks Corporation beginning in 1993.

Member of the Boards of Directors of Bombardier and Fiera Capital Inc.

Member of the Board of Directors of Alcatel Lucent SA 2008–2016.

**Elizabeth Nelson, b. 1960**

*Board member since 2012. Chair of the Audit Committee.*

MBA (Finance), the Wharton School, University of Pennsylvania, the United States. BS (Foreign Service), Georgetown University, the United States.

Executive Vice President and Chief Financial Officer, Macromedia, Inc. 1997–2005. Vice President, Corporate

Development, Macromedia, Inc. 1996–1997. Various roles in Corporate Development and International Finance, Hewlett-Packard Company 1988–1996.

Chairman of the Board of Directors of DAJ. Independent Lead Director and Chair of the Audit Committee of Zendesk Inc. Member of the Board of Directors and Chair of the Audit Committee of Pandora Media.

Member of the Boards of Directors of Brightcove, Inc. 2010–2014, SuccessFactors, Inc. 2007–2012 and Ancestry.com, Inc. 2009–2012.

## **Olivier Piou, b. 1958**

*Vice Chair of the Nokia Board of Directors. Board member and Vice Chair since 2016. Member of the Personnel Committee and the Corporate Governance and Nomination Committee.*

Degree in Engineering, École Centrale de Lyon, France.

Chief Executive Officer of Gemalto N.V. 2006–2016.

Chief Executive Officer of Axalto N.V. 2004–2006. With Schlumberger 1981–2004, including numerous management positions in the areas of technology, marketing and operations, in France and the United States.

Member of the Board of Directors of Gemalto N.V.

Member of the Board of Directors of ErYoch SARL.

Member of the Board of Directors of Alcatel Lucent SA 2008–2016.

## **Risto Siilasmaa, b. 1966**

*Chair of the Nokia Board of Directors. Board member since 2008. Chair since 2012. Chair of the Corporate Governance and Nomination Committee.*

Master of Science (Eng.), Helsinki University of Technology, Finland.

President and CEO of F-Secure Corporation 1988–2006.

Chairman of the Board of Directors of F-Secure Corporation. Chairman of the Board of Directors of the Federation of Finnish Technology Industries. Member of the Board of Directors of the Confederation of Finnish Industries (EK). Member of European Roundtable of Industrialists.

Chairman of the Board of Directors of Elisa Corporation 2008–2012. Member of the Board of Directors of Alcatel Lucent SA 2016.

## **Carla Smits-Nusteling, b. 1966**

*Board member since 2016. Member of the Audit Committee.*

Master's Degree in Business Economics, Erasmus University Rotterdam, the Netherlands. Executive Master of Finance and Control, Vrije University Amsterdam, the Netherlands.

Member of the Board of Directors and Chief Financial Officer of KPN 2009–2012. Various financial positions in KPN 2000–2009. Various financial and operational

positions in TNT/PTT Post 1990–2000.

Member of the Supervisory Board since 2013 and Chair of the Audit Committee of ASML. Member of the Board of Directors since 2013 and Chair of the Audit Committee of TELE2 AB. Member of the Management Board of the Unilever Trust Office since 2015.

Lay Judge in the Enterprise Court of the Amsterdam Court of Appeal since 2015.

## **Kari Stadigh, b. 1955**

*Group CEO and President of Sampo plc. Nokia Board member since 2011. Member of the Personnel Committee and the Corporate Governance and Nomination Committee.*

Master of Science (Eng.), Helsinki University of Technology, Finland. Bachelor of Business Administration, Hanken School of Economics, Helsinki, Finland.

Deputy CEO of Sampo plc 2001–2009. President of Sampo Life Insurance Company Limited 1999–2000. President of Nova Life Insurance Company Ltd 1996–1998. President and COO of Jaakko Pöyry Group 1991–1996.

Member of the Board of Directors and Chair of the Board's Risk Committee of Nordea Bank AB (publ). Chairman of the Board of Directors of If P&C Insurance Holding Ltd (publ) and Mandatum Life Insurance Company Limited. Member of the Board of Directors of the Federation of Finnish Financial Services. Member of the Board of Directors of Waypoint Capital Group Holdings Ltd. Member of the Board of Directors of Niilo Helanderin Säätiö.

\*) Proposed to be elected for the first time as a member of the Board of Directors of Nokia Corporation.