



## Proposal for the remuneration to the members of the Board of Directors

In determining the proposed Board remuneration, the objective of the Board's Corporate Governance and Nomination Committee is to enable Nokia to compete for the top-of-the-class Board competence in order to maximize the value creation for the shareholders. The Committee's aim is to ensure that the Company has an efficient Board comprised of international professionals representing a diverse and relevant mix of skills, experience, background and other personal qualities in line with the diversity principles established by the Board. Competitive Board remuneration contributes to the achievement of this target and accordingly the Committee periodically reviews the Board remuneration against companies of similar size and complexity to ensure Nokia is able to attract such Board members.

The current annual fees of Board members of Nokia were last changed in 2016, and prior to that in 2007. To ensure the competitiveness of the Board remuneration and reflecting the fee development in Nokia's global peer group, the Committee has resolved to recommend to the Board that the annual fees of Board members, save for the Chair of the Board, would be proposed to be increased with EUR 10 000. Other remuneration payable to the Board and Committee members would remain unchanged.

Consequently, on the recommendation of the Board's Corporate Governance and Nomination Committee and in line with the Company's Remuneration Policy, the Board of Directors proposes to the Annual General Meeting that the annual fee payable to Board members for a term ending at the close of the next Annual General Meeting be as follows:

- EUR 440 000 for the Chair of the Board;
- EUR 195 000 for the Vice Chair of the Board;
- EUR 170 000 for each member of the Board;
- EUR 30 000 each for the Chairs of the Audit Committee and the Personnel Committee and EUR 20 000 for the Chair of the Technology Committee as an additional annual fee; and
- EUR 15 000 for each member of the Audit Committee and Personnel Committee and EUR 10 000 for each member of the Technology Committee as an additional annual fee.

In order to align the interests of the Board members with those of the shareholders, it is proposed that, in line with the Company's Corporate Governance Guidelines, approximately 40% of the annual fee be paid in Nokia shares either purchased from the market on behalf of the Board members or alternatively delivered as treasury shares held by the Company as soon as practicable after the Annual General Meeting. The rest of the annual fee would be payable in cash to cover taxes arising from the remuneration.

In addition, the Board of Directors proposes that the meeting fees for Board and Board Committee meetings payable to all the other Board members, except for the Chair of the Board, remain at current level. The meeting fees are based on potential travel required between the Board member's home location and the location of a meeting and paid for a maximum of seven meetings per term as follows:



- EUR 5 000 per meeting requiring intercontinental travel; and
- EUR 2 000 per meeting requiring continental travel.

Only one meeting fee would be payable in the usual case of multiple Board and Board Committee meetings per eligible travel.

Moreover, it is proposed that members of the Board of Directors shall be compensated for travel and accommodation expenses as well as other costs directly related to Board and Board Committee work. The meeting fees, travel expenses and other expenses would be paid in cash.

It is the Company's policy that the non-executive members of the Board of Directors do not participate in any of the Company's equity programs and do not receive performance shares, restricted shares, or any other equity based or otherwise variable compensation for their duties as Board members. In addition, the directors shall retain until the end of their directorship such number of shares that corresponds to the number of shares they have received as Board remuneration during their first three years of service in the Board.

3 February 2022

Board of Directors