Compensation

Board of Directors

The table below outlines the annual compensation payable to the members of the Board for their services on the Board and its committees, as resolved at the respective Annual General Meetings in 2015, 2014, and 2013.

EUR	2015	2014	2013
Chair	440 000	440 000	440 000
Vice Chair	150 000	150 000	150 000
Member	130 000	130 000	130 000
Chair of Audit Committee	25 000	25 000	25 000
Member of Audit Committee	10 000	10 000	10 000
Chair of Personnel Committee	25 000	25 000	25 000
Total[1]	**1 450 000**	**1 580 000**	**1 570 000**

(1) The changes in the aggregate Board compensation year on year are attributable to changes in the number of Board members and their committee memberships. The compensation paid for services rendered remained the same over the relevant periods.

In accordance with our policy, directors' remuneration consists of an annual fee only with no additional fees paid for meeting attendance. Approximately 40% of the director remuneration is paid in the form of Nokia shares that are purchased from the market, or alternatively, by using treasury shares held by the Company. The remainder of the remuneration, approximately 60%, is paid in cash, most of which is typically used to cover related taxes. Additionally, directors shall retain until the end of their directorship, the net after-tax number of shares that they have received as remuneration for their duties as members of the Board during their first three years of service. Non-executive directors do not participate in any of our equity programs and do not receive performance shares, restricted shares or any other equity based or variable compensation for their duties as Board members.

The compensation payable to the Board is resolved annually by the shareholders of Nokia represented at the general meeting. The compensation is resolved by a majority vote of the shareholders represented at the general meeting, upon the proposal of the Corporate Governance and Nomination Committee of the Board. The compensation is determined as of the date of the general meeting, until the close of the next annual general meeting.

When preparing the proposal for Board compensation for the general meeting, the Corporate Governance and Nomination Committee reviews and compares total compensation levels and their criteria to other global peer group companies that have corresponding net sales and complexity of business as that of Nokia. The Corporate Governance and Nomination Committee's aim is to ensure that Nokia has an efficient Board consisting of international professionals representing a diverse mix of skills and experience. Competitive Board remuneration contributes to the achievement of this target.

Compensation of the Board of Directors in 2015

In 2015, the aggregate amount of compensation paid to the members of the Board for their services on the Board and its committees equaled EUR 1 450 000.

The following table outlines the total annual compensation paid to the members of the Board for their services in 2015, as resolved by shareholders at the Annual General Meeting on May 5, 2015. For more details on Nokia shares held by the members of the Board, refer to "—Share ownership of the Board of Directors , the President and Chief Executive Officer and the Nokia Group Leadership Team" below.

Compensation earned or paid in 2015[1]:

	EUR
Risto Siilasmaa, Chair	440 000
Jouko Karvinen, Vice Chair[2]	175 000
Vivek Badrinath[3]	140 000
Bruce Brown[4]	155 000
Elizabeth Doherty[5]	140 000
Simon Jiang	130 000
Mårten Mickos (Board member until May 5, 2015)[6]	–
Elizabeth Nelson[7]	140 000
Kari Stadigh	130 000
Dennis Strigl (Board member until May 5, 2015)[6]	–
Total	**1 450 000**

(1) Approximately 40% of each Board member's annual compensation was paid in Nokia shares purchased from the market and the remaining approximately 60% in cash.
(2) Represents compensation paid to Jouko Karvinen, consisting of EUR 150 000 for services as Vice Chair of the Board until January 8, 2016 and EUR 25 000 for services as the Chair of the Audit Committee.
(3) Represents compensation paid to Vivek Badrinath, consisting of EUR 130 000 for services as a member of the Board and EUR 10 000 for services as a member of the Audit Committee.
(4) Represents compensation paid to Bruce Brown, consisting of EUR 130 000 for services as a member of the Board and EUR 25 000 for services as the Chair of the Personnel Committee.
(5) Represents compensation paid to Elizabeth Doherty, consisting of EUR 130 000 for services as a member of the Board and EUR 10 000 for services as a member of the Audit Committee, both until January 8, 2016.
(6) Mårten Mickos and Dennis Strigl served as members of the Board until the close of the Annual General Meeting in 2015. Neither of them was paid any compensation during fiscal year 2015, but received compensation for the term until the close of the Annual General Meeting in 2015 in the fiscal year 2014.
(7) Represents compensation paid to Elizabeth Nelson, consisting of EUR 130 000 for services as a member of the Board and EUR 10 000 for services as a member of the Audit Committee.

Changes to the composition of the Board of Directors as of January 8, 2016

On January 8, 2016, we confirmed the new composition of the Board following the successful public exchange offer for all outstanding Alcatel Lucent securities. In accordance with the resolutions passed at the Extraordinary General Meeting on December 2, 2015, and following the successful public exchange offer for all Alcatel Lucent securities, our Board consists of ten members. The new members of the Board are Louis R. Hughes, Jean C. Monty and Olivier Piou. Elizabeth Doherty, who was a member of the Board until the successful closing of the exchange offer for all Alcatel Lucent securities, stepped down from the Board.

Additionally, the Extraordinary General Meeting resolved that the new members of the Board elected at the meeting will receive the same annual remuneration as is paid to the members of the Board elected at the Annual General Meeting on May 5, 2015, prorated by the new Board members' time in service until the closing of the Annual General Meeting in 2016.

For more details on the composition of the Board, refer to "Corporate Governance Statement—Main corporate governance bodies of Nokia" above. The new members of the Board were not paid any compensation during the fiscal year 2015. The following table outlines the total annual compensation paid to the new members of the Board for their services in 2016, as resolved by shareholders of Nokia at the Extraordinary General Meeting on December 2, 2015.

	(EUR)[1]
Olivier Piou, Vice Chair as of January 8, 2016[2]	70 082
Louis Hughes, Board member as of January 8, 2016[3]	65 410
Jean Monty, Board member as of January 8, 2016[4]	65 410

(1) The new Board members have received the same annual remuneration as was paid to the members of the Board elected at the Annual General Meeting on May 5, 2015, prorated by the new Board members' time in service until the closing of the Annual General Meeting in 2016. Approximately 40% of each Board member's annual compensation was paid in Nokia shares purchased from the market and the remaining approximately 60% in cash.
(2) Represents compensation paid to Olivier Piou, consisting of EUR 70 082 for services as the Vice Chair of the Board.
(3) Represents compensation paid to Louis Hughes, consisting of EUR 60 738 for services as a member of the Board and EUR 4 672 for services as a member of the Audit Committee.
(4) Represents compensation paid to Jean Monty, consisting of EUR 60 738 for services as a member of the Board and EUR 4 672 for services as a member of the Audit Committee.

Executive compensation

Introduction

The year 2015 was the first full year following the Sale of the D&S Business and the integration of the Nokia Networks business. With a stable leadership team in place and certain changes in the compensation structure introduced in 2014, 2015 was about executing change in the business, preparing for the acquisition of Alcatel Lucent and the Sale of the HERE Business.

Our focus for executive compensation is to:

- Attract and retain the right talent;
- Drive performance; and
- Align with shareholder interests.

We have undergone significant structural changes over the past three years and continue to do so following our acquisition of Alcatel Lucent. Additionally, the corporate reporting environment is expected to evolve further e.g., as a result of the pending shareholder rights directive in Europe, which would further change disclosure requirements. To simplify reporting, we have decided to report information related to executive compensation in accordance with Finnish regulatory requirements (and in compliance with SEC requirements) and to provide disclosure of compensation of our President and CEO and aggregated information for our Group Leadership Team, as well as to provide a clear explanation of our policies and practices that relate to the President and CEO and to our executives and employees more broadly.

Variable compensation plans have paid out in a manner consistent with the 2015 business results. Short-term incentive plans paid out above target for 2015 in line with the performance on all three key metrics we use as a basis for calculating variable compensation—non-IFRS revenue, non-IFRS operating profit and net cash flow.

Our long-term incentive plan performance condition achievement is also tied to our business results. In recent years, our performance shares have not paid out as the required business performance was not met. It is satisfying to see that the 2013 performance share plan that vested on January 1, 2016 has delivered value to participants as they have participated in delivering value to shareholders. The 2013 performance share plan vested at 86.25% of target during which time we saw an increase in diluted EPS for Continuing operations from a negative EUR (0.16) for the fiscal year 2012 to positive EUR 0.67 per share for the fiscal year 2014 and the share price increase from EUR 3.49 before the plan was approved to EUR 6.60 at December 31, 2015. The 2014 performance share plan will vest on January 1, 2017 and is expected to vest at 125.72% of the target award.

Compensation philosophy, design and strategy

Our compensation programs are designed to attract, incentivize and retain the talent necessary to deliver strong financial results to the ultimate benefit of our shareholders. Rewards are tied to our strategy by adopting an appropriate mix of fixed and variable compensation to engage and motivate employees in the performance of the business and ensure alignment with shareholder interests.

A single compensation framework is used across the Nokia Group with a varying mix of fixed and variable compensation for each level of responsibility. Higher levels of performance-based compensation and equity compensation are used to reward executives for delivering long-term sustainable growth and creating value for our shareholders.

We aim to provide a globally competitive compensation offering, which is comparable to that of our peer group companies, taking into account industry, geography, size and complexity. The peer group is reviewed annually and external advice is sought to confirm the appropriateness of the peer group and also the quantum and the relative mix of compensation packages.

In designing our variable compensation programs key consideration is given to:

- incorporating specific performance measures that align directly with the execution of our strategy and driving long-term sustainable success;
- delivering an appropriate amount of performance-related variable compensation for the achievement of strategic goals and financial targets in both the short- and long-term;
- appropriately balancing rewards between company and individual performance; and
- fostering an ownership culture that promotes sustainability and long-term value creation that aligns the interests of participants with those of our shareholders.

Compensation structure and goal setting
In line with our overall compensation philosophy our executives are rewarded using a mix of fixed and variable pay.

The elements of the compensation structure for the Group Leadership Team including the President and CEO are further detailed below:

Element	Principles	Purpose
Base salary	Fixed cash component targeted at our peer group median; base salary can vary from the market due to individual performance, experience, time in position, and internal comparability considerations. Base salaries are reviewed annually taking into account market conditions, our financial condition and individual performance.	To compensate for the relevant knowledge, skills and experience the individual brings to the role and the responsibility of their position. Provides a degree of financial certainty and stability that helps us retain talent.
Short-term incentive	An annual cash award designed to reward a mix of corporate, business unit, and individual performance compared to pre-established performance goals. The on target short-term incentive award, when taken together with base salary, is designed to provide a median annual total cash compensation comparable to that provided by our peer group.	Reward for the achievement of key business metrics by meeting financial and strategic targets during the fiscal year.
Long-term incentive	**Performance shares:** The equity-based portion of compensation that is tied to our long-term success and delivered primarily through performance shares. Long-term incentive awards are intended to provide competitive incentive compensation compared with our peer group when combined with base salary and target short-term incentive. The ultimate value of an award depends on our share price and business performance against predetermined performance measures. **Restricted shares:** Restricted shares are used on a limited basis or in exceptional retention and recruitment circumstances, predominantly in the United States, as is consistent with market practice. The number of shares vesting is predetermined but the ultimate value will rise or fall in line with movements in the share price. There are also certain legacy equity compensation programs in force as described in "—Legacy equity compensation programs" below.	To reward for delivery of sustainable long-term performance, align the executives' interests with those of shareholders and aid retention.
Benefits & perquisites	Executives are provided the same benefits as are made available to employees more broadly in the relevant country, with additional security provisions, as appropriate. Executives may also be provided with certain other benefits from time to time, which are not material in value.	Benefits and perquisites are offered as part of the core compensation package to enable us to attract, retain and protect employees and executives.
Relocation & mobility	To facilitate international mobility by providing relevant benefits to assist executives in relocation. Mobility policies support the relocation of an executive and their dependents or the reasonable costs of commuting. Benefits are market specific and are not compensation for performing the role, but rather provided to defray costs or additional burdens of a relocation or residence outside the home country.	To assist with mobility across the Group to ensure the appropriate talent is available to execute our strategy at the right locations.
Retirement plans	To provide retirement funding in line with local market and legal requirements, typically through defined contribution or locally mandated pension plans. No supplemental pension arrangements are provided.	To give a market competitive level of provision for post-retirement income.
Change of control arrangements	Change of control arrangements are offered on a very limited basis, and based on a double trigger structure, which means that both a specified change of control event and termination of the individual's employment must take place for any change of control based severance payment to materialize. For further information refer to "—Termination provisions for the President and Chief Executive Officer" and "—Nokia Group Leadership Team members".	To ensure the continuity of management in connection with possible change of control event.

President and Chief Executive Officer

Overview

The compensation structure for the President and CEO is determined in line with our philosophy of pay for performance, such that 80% of the target compensation is delivered based on performance. The charts opposite show the potential value of each element and the overall mix of compensation. Of the variable compensation, 31.25% comprises short-term incentives, earned during the year for delivery of annual targets and 68.75% is earned over a three-year period for delivery of sustainable growth in terms of revenue and EPS, thus ensuring alignment of the interests of the President and CEO with those of shareholders through long-term incentives.

The President and CEO is also required to hold a minimum of three times his base salary in Nokia shares in order to ensure alignment with shareholders over the long term. He has five years from his appointment as the President and CEO to meet this requirement and Mr. Suri is expected to do so before the fifth year through the vesting of long-term incentive awards. To further ensure alignment with our pay for performance philosophy in the event that there is any material restatement of financial results both short-term and long-term variable compensation is subject to a clawback policy.

Overall compensation for 2015 was set in relation to the market as opposite:

For 2016, the Board has approved the increase of Mr. Suri's salary by 5%, thus increasing his base salary to EUR 1 050 000 annually (from EUR 1 000 000 in 2015) reflecting a combination of Mr. Suri's performance and the enlarged role he takes on in 2016 following the acquisition of Alcatel Lucent. The on target incentive will remain at 125% of base salary and will increase to EUR 1 312 500 effective January 8, 2016. Mr. Suri will receive an award of performance shares in 2016 with a present value of EUR 3 025 000; the ultimate value will be determined by Nokia's performance against targets and the share price in the next three years.

Variable pay

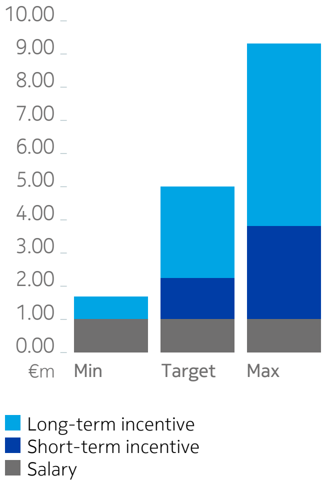
The Board believes that the most appropriate metrics for driving sustainable business performance at Nokia are:

- non-IFRS revenue;
- non-IFRS operating profit; and
- net cash flow.

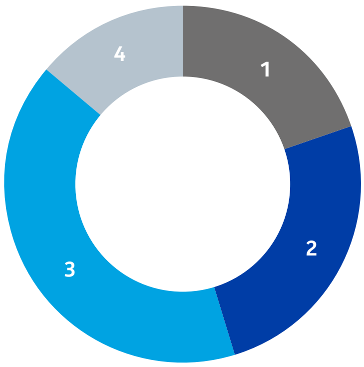
The variable compensation plans focus on these measures with an element on a personal strategic objective to support the strategic development of Nokia, which is not necessarily measurable in financial terms in the short term.

A summary of the weighting of incentive based on each metric is shown opposite:

2015 Pay opportunity

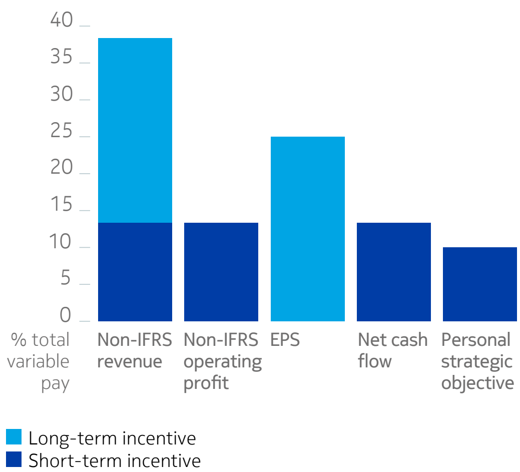


2015 Pay mix



1 Base salary	**20.00%**
2 Short-term incentive	**25.00%**
3 Long-term incentive variable	**41.25%**
4 Long-term incentive minimum payout	**13.75%**

Incentive opportunity by metric (%)



Compensation continued

To ensure alignment with shareholders' interests and the culture of developing long-term sustainable success, we have two policies in place which apply to variable compensation:

Clawback policy: In the event that there is any error or misstatement of financial results which, had it been known at the time of the determination of the incentive, would have resulted in a lower payment, the Board has an option to claw back any excessive payment within three years from such event. In a bad faith event, the Board has discretion to claw back remuneration from previous years, if it is deemed appropriate.

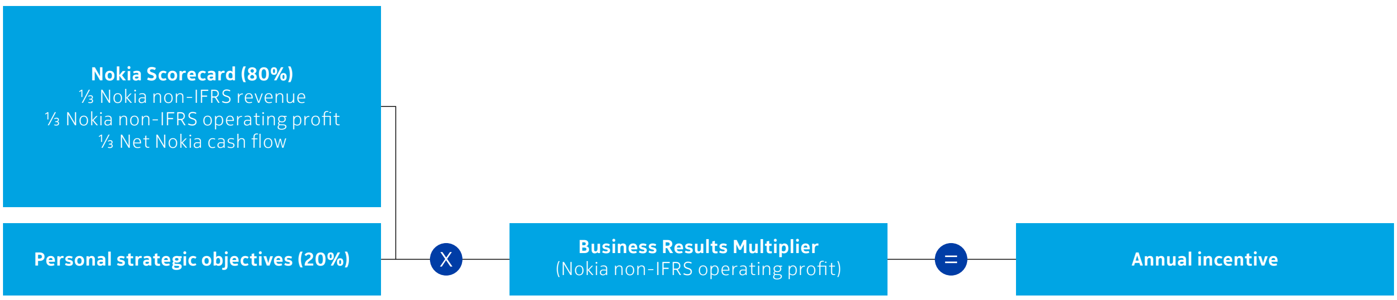
Share ownership policy: To align the interests of the President and CEO and the Group Leadership Team with shareholders' interests, we have a shareholding policy requiring that a minimum number of shares must be held by the executive. For the President and CEO, the requirement is to hold shares to a value equaling three times his base salary. For the current Group Leadership Team members, the requirement is to hold shares to a value equaling two times the member's base salary. The share ownership policy, which is effective from January 1, 2015, requires these executives to amass the requisite shareholding within five years of becoming subject to the policy. They are not permitted to sell any vesting equity awards, other than for the purposes of meeting associated tax and social security liabilities, until the shareholding requirement is satisfied.

Short-term incentives

The 2015 short-term incentive for the President and CEO is determined by the achievement against key financial targets and other strategic objectives, as defined below. Performance against these defined targets are then multiplied by a business results multiplier, which acts as a funding factor for the incentive plan for most employees, to determine the final payment.

% of base salary			
Minimum performance	**Target performance**	**Maximum performance**	**Measurement criteria**
0%	125%	281.25%	80% of the incentive is based on performance against the Nokia scorecard: ■ Non-IFRS revenue (⅓); ■ Non-IFRS operating profit (⅓); and ■ Net cash flow (⅓). The final 20% of the incentive is based on the achievement of personal strategic objectives given to the President and CEO by the Board.

2015 Short-term incentive



The 2015 short-term incentive for Mr. Suri will be paid at 153.77% of the target incentive amount, which reflects the performance of Nokia across the metrics used in the plan, including Nokia's continued progress and transformation, as reflected in his personal strategic objectives. Mr. Suri's short-term incentive in 2014 was at a similar achievement level, albeit with a lower target incentive for the period between January and April 2014 before he became President and CEO.

Long-term incentives
Long-term incentive awards are determined by reference to the market and as a percentage of salary. The President and CEO participates in the same long-term incentive arrangements as other Nokia executives and senior managers. Additionally, Mr. Suri also participates in the Nokia Networks equity incentive plan ("Nokia Networks EIP"), which was set up in 2012 by the board of directors of Nokia Siemens Networks, prior to the acquisition by Nokia of the remaining 50% of the business and our full ownership of the Networks business, to incentivize its turnaround. The targets of the plan were set at a demanding level and payments from the plan represent the outstanding achievement of the Networks team. In 2015, 30% of the options awarded to Mr. Suri vested and were exercisable in cash under the plan rules. Mr. Suri exercised these options and realized a gain of EUR 3.24 million. The remaining 70% of the options will vest in June 2016 and Mr. Suri will have until 2018 to exercise these options. Under the plan rules, any exercise of these options will be in cash. The maximum payment under these remaining options is EUR 7.56 million, unless certain defined corporate events take place.

Pension arrangements for the President and Chief Executive Officer
The President and CEO participates in the statutory Finnish pension system, as regulated by the Finnish Employees' Pension Act (395/2006, as amended) (the "Finnish TyEL"), which provides for a retirement benefit based on years of service and earnings according to prescribed rules. No supplemental pension arrangements are provided. Under the Finnish TyEL pension system, base pay, incentives and other taxable fringe benefits are included in the definition of earnings, while gains realized from equity are not. Retirement benefits are available from age 63 to 68, according to an increasing scale.

Termination provisions for the President and Chief Executive Officer
Mr. Suri's service agreement specifies the different ways the agreement can be terminated and associated compensation as follows:

- **Termination by Nokia for cause:** In the event of a termination by Nokia for cause, Mr. Suri is entitled to no additional compensation and all his unvested equity awards would be forfeited;
- **Termination by Nokia for reasons other than cause:** In the event of a termination by Nokia for reasons other than cause, Mr. Suri is entitled to a severance payment equaling up to 18 months of compensation (including annual base salary, benefits, and target incentive) and his unvested equity awards would be forfeited;
- **Termination by Mr. Suri for any reason:** Mr. Suri may terminate his service agreement at any time with six months' prior notice. Mr. Suri would continue to receive either salary and benefits during the notice period or, at Nokia's discretion, a lump sum of equivalent value. Additionally, Mr. Suri would be entitled to any short- or long-term incentives that would normally vest during the notice period. Any unvested equity awards would be forfeited;
- **Termination by Mr. Suri for Nokia's material breach of the service agreement:** In the event that Mr. Suri terminates his service agreement based on a final arbitration award demonstrating Nokia's material breach of the service agreement, he is entitled to a severance payment equaling to up to 18 months of compensation (including annual base salary, benefits and target incentive). Any unvested equity awards would be forfeited; or
- **Termination based on specified events:** Mr. Suri's service agreement includes special severance provisions on a termination following a change of control event. Such change of control provisions are based on a double trigger structure, which means that both a change of control event and the termination of the individual's employment within a defined period of time must take place in order for any change of control based severance payment to become payable. More specifically, if a change of control event has occurred, as defined in the service agreement, and Mr. Suri's service with Nokia is terminated either by Nokia or its successor without cause, or by Mr. Suri for "good reason", in either case within 18 months from such change of control event, Mr. Suri would be entitled to a severance payment equaling up to 18 months of compensation (including annual base salary, benefits, and target incentive) and cash payment (or payments) for the pro-rated value of his outstanding unvested equity awards, including equity awards under the Nokia Networks EIP, restricted shares, performance shares and stock options (if any), payable pursuant to the terms of the service agreement. "Good reason" referred to above includes a material reduction of Mr. Suri's compensation and a material reduction of his duties and responsibilities, as defined in the service agreement and as determined by the Board.

Additionally, the service agreement defines a specific, limited termination event that applies until June 30, 2016. Upon this event, if Mr. Suri's service with Nokia is terminated as a result of the circumstances specified in the service agreement, he is entitled to, in addition to normal severance payment payable upon his termination by Nokia for reasons other than cause, to a pro-rated value of unvested equity awards under the Nokia Networks EIP, provided that the termination of his service takes place within six months from the defined termination event (and at or prior to June 30, 2016). Subject to this limited time treatment of unvested equity awards under the Nokia Networks EIP, all of Mr. Suri's other unvested equity would be forfeited.

Mr. Suri is subject to a 12-month non-competition obligation that applies after the termination of the service agreement or the date when he is released from his obligations and responsibilities, whichever occurs earlier.

Compensation continued

Compensation of the President and Chief Executive Officer in 2015 and 2014

EUR	2015	2014
Salary	1 000 000	932 666
Short-term variable compensation(1)	1 922 125	1 778 105
Stock awards(2)	2 843 711	3 759 936
Payments to defined contribution retirement plans(3)	491 641	686 206
All other compensation(4)	145 658	168 645
Total(5)	**6 403 135**	**7 325 558**

(1) Short-term variable compensation payments are part of Nokia's short-term cash incentive plan. The amount consists of the annual incentive cash payment and/or other short-term variable compensation earned and paid or payable by Nokia for the respective fiscal year.
(2) Amounts shown represent the total grant date fair value of equity grants awarded for the respective fiscal year. The fair value of performance shares equals the estimated fair value on grant date. The estimated fair value is based on the grant date market price of a Nokia share less the present value of dividends expected to be paid during the vesting period. The value of the performance shares is presented on the basis of granted number of shares, which is two times the number of shares at threshold. The value of the 2015 stock awards with performance shares valued at maximum is (four times the number of shares at threshold) EUR 5 687 422.
(3) Pension arrangements in Finland are characterized as defined contribution pension arrangements under IAS 19, Employee benefits. Mr. Suri is a participant in the Finnish state mandated TyEL pension arrangements.
(4) All other compensation for Mr. Suri in 2015 includes: housing of EUR 47 950 (2014: EUR 63 708); EUR 48 510 for travel assistance (2014: EUR 31 576); EUR 0 for tuition of minor children (2014: EUR 34 055); tax services EUR 17 834 (2014: EUR 17 038) and EUR 31 363 for premiums paid under supplemental medical and disability insurance and for mobile phone and driver (2014: EUR 22 268).
(5) A significant portion of equity grants are tied to the performance of the company and aligned with the value delivered to shareholders. The amounts shown are representative of the value of the award at grant but are not representative of the amount that will ultimately be received when the plan vests. The ultimate value of the award will be known when the awards vest.

Equity awards to the President and Chief Executive Officer, grant date April 22, 2015:

Performance shares at threshold number	198 500
Performance shares at maximum number	794 000
Grant date fair value EUR(1)	2 843 711

(1) The fair value of performance shares equals the estimated fair value of the grant date. The estimated value is based on the grant date market price of Nokia shares less the present value of dividends expected to be paid during the vesting. The value of performance shares is presented on the basis of a number of shares, which is two times the number at threshold.

The Nokia Group Leadership Team

Remuneration of the Nokia Group Leadership Team members
The remuneration of other members of the Group Leadership Team consists of base salary, fringe benefits, short-term and long-term incentives. The other members of the Group Leadership Team participate in the same reward programs, including short-term incentive and long-term incentive programs and under the same terms as other eligible employees, although, the quantum and mix of their compensation varies by role and individual. Short-term incentive plans are based on rewarding business performance and some or all of the following metrics are appropriate for their role; non-IFRS revenue, non-IFRS profit, net cash flow and strategic objectives. Long-term incentive programs are described under "—Equity Compensation".

All members of the Group Leadership Team have 20% of their short-term incentive based on personal strategic objectives, at least 30% of their short-term incentive is based on the Nokia scorecard of the Nokia Group's non-IFRS revenue, non-IFRS operating profit and net cash flow and, depending on their role, they may also have business unit targets in addition based on a mix of non-IFRS revenue, non-IFRS operating profit and net cash flow.

On average, the members of the Group Leadership Team earned 140% of their target incentive amount in 2015.

Pension arrangements for the Nokia Group Leadership Team
The members of the Group Leadership Team participate in the local retirement plans applicable to employees in the country of residence. Executives based in Finland participate in the statutory Finnish pension system, as regulated by the Finnish TyEL. Refer to "—Pension arrangements for the President and Chief Executive Officer" above.

Executives based in the United States participate in our US retirement savings and investment plan. Under this 401(k) plan, participants elect to make voluntary pre-tax contributions that are 100% matched by Nokia up to 8% of eligible earnings. 25% of the employer's match vests for the participants annually during the first four years of their employment. Executives based in Germany participated in the 100% company funded HERE pension plan. Contributions were based on pensionable earnings, the pension table and retirement age.

Termination provisions for the Nokia Group Leadership Team members
In all cases, if an executive is dismissed for cause, no compensation will be payable and no outstanding equity will vest.

In the event of termination for any other reason than cause, where the company pays compensation in lieu of notice period's salary, benefits and target short-term incentive amounts are taken into account.

Additionally, the Board believes that maintaining a stable and effective leadership team is considered essential for protecting and enhancing the best interests of Nokia and its shareholders. In order to encourage the continued focus, dedication and continuity of the members of the Group Leadership Team to their assigned duties without the distraction that may arise from the possibility of termination of employment as a result of a specified change of control event in Nokia, certain provisions have been made available to them.

As a result some members of the Group Leadership Team have change of control agreements which serve as an addendum to their executive agreement and provide for the pro-rata settlement of outstanding equity awards as follows. The change of control agreements are based on a double trigger structure, which means that both the change of control event and the termination of the individual's employment must take place for any change of control based severance payment to materialize. More specifically, if a change of control event, as defined in the agreement, has occurred in the company, and the individual's employment with the company is terminated either by Nokia or its successor without cause, or by the individual for "good reason" (for example, material reduction of duties and responsibilities), in either case within 18 months from such change of control event, the individual will be entitled to his or her notice period compensation (including base salary, benefits and target incentive) and cash payment (or payments) for the pro-rated value of the individual's outstanding unvested equity, including restricted shares, performance shares, stock options and equity awards under Nokia Networks EIP, payable pursuant to the terms of the agreement. The Board has full discretion to terminate or amend the change of control agreements at any time. Under inherited change of control agreements for former Alcatel Lucent executives, compensation of 18 months' salary plus target incentive is payable in the event of an involuntary termination or "good reason" event should either occur within 12 months of Nokia gaining control of Alcatel Lucent. Additionally, any remaining Alcatel Lucent equity awards not already accelerated as part of the transaction would also be settled.

The Group Leadership Team in 2015:

Name	Position held in 2015	Appointment date
Rajeev Suri	President and Chief Executive Officer	May 1, 2014
Timo Ihamuotila	EVP, Group Chief Financial Officer	September 1, 2011
Samih Elhage	EVP, Chief Financial and Operating Officer, Nokia Networks	May 1, 2014
Ramzi Haidamus	President, Nokia Technologies	September 3, 2014
Sean Fernback[1]	President, HERE	November 1, 2014

(1) Until December 5, 2015.

The following compensation was paid to the Group Leadership Team (excluding the President and CEO) in 2015 and 2014, in aggregate. Compensation paid to the President and CEO is presented under "—Compensation of the President and Chief Executive Officer" above.

Compensation paid to Group Leadership Team:

EUR	2015	2014
Salary	2 149 029	3 461 250
Short-term variable compensation[1]	2 801 131	1 880 115
Stock awards[2]	3 295 955	3 679 383
Change in pension value and nonqualified deferred compensation earnings[3]	111 203	73 967
Payments to defined contribution retirement plans[4]	493 027	311 494
All other compensation[5]	773 718	278 720
Total[6]	**9 624 063**	**9 684 929**

(1) Short-term variable compensation payments are part of Nokia's short-term cash incentive plan. The amount consists of the annual incentive cash payment and/or other short-term variable compensation earned and paid or payable by Nokia for the respective fiscal year.
(2) Amounts shown represent the total grant date fair value of equity grants awarded for the respective fiscal year. The fair value of performance shares and restricted shares equals the estimated fair value on grant date. The estimated fair value is based on the grant date market price of a Nokia share less the present value of dividends expected to be paid during the vesting period. The value of the performance shares is presented on the basis of granted number of shares, which is two times the number of shares at threshold. The aggregate value of the 2015 stock awards with performance shares valued at maximum is (four times the number of shares at threshold) EUR 6 591 910.
(3) Pension arrangements in Germany are considered to be payments to a defined benefit plan where the pension is determined by reference to executive's base salary, age and years of service.
(4) Pension arrangements in Finland are characterized as defined contribution pension arrangements under IAS 19, Contributions are made to the state mandated TyEL plan and there are no supplementary pension arrangements. Contributions made in the US to the company 401k plan are also considered payments to defined contribution pension plans.
(5) All other compensation refers to mobility related payments or benefit programs under which executives are eligible. Additionally, in 2015, a special one-time retention arrangement related to the Sale of the HERE Business is also included under all other compensation.
(6) A significant portion of equity grants are tied to the performance of the company and aligned with the value delivered to shareholders. The amounts shown are representative of the value of the award at grant but are not representative of the amount that will ultimately be received when the plan vests. The ultimate value of the award will be known when the awards vest.

Equity awards to the other members of the Nokia Group Leadership Team during 2015

The following equity awards were made to the Group Leadership Team members (excluding the President and CEO) in 2015. Equity awards to the President and CEO are presented under "—Equity awards to the President and CEO during 2015" above.

Equity awards to Group Leadership Team, in aggregate[1]:

Grant date	April 22, 2015[2]	July 7, 2015
Performance shares at threshold number	212 500	–
Performance shares at maximum number	850 000	–
Restricted shares number	–	44 000
Grant date fair value EUR	3 044 275	251 680

(1) Excluding equity awards made to Rajeev Suri.
(2) The fair value of performance shares equals the estimated fair value of the grant date. The estimated value is based on the grant date market price of Nokia share less the present value of dividends expected to be paid during the vesting. The value of performance shares is presented on the basis of a number of shares, which is two times the number at threshold.

Compensation continued

Compensation governance practices

The Board of Directors:

- approves and the independent members of the Board confirm the compensation of the President and CEO upon recommendation of the Personnel Committee;
- approves, upon recommendation from the Personnel Committee, any long-term incentive compensation, and all equity plans, programs or similar arrangements of significance that the company establishes for its employees; and
- decides on the issuance of shares (under authorization from shareholders) to fulfill the company's obligations under equity plans in respect of vested awards to be settled.

The Personnel Committee

As part of its responsibilities the Personnel Committee assists the Board in discharging its responsibilities relating to all compensation, including equity compensation, of the Company's executives and the terms of employment of the same, making recommendations to the Board:

- recommends to the Board the corporate goals and objectives relevant to the compensation of the President and CEO, and evaluates the performance of the President and CEO against previously established goals and objectives as well as proposes to the Board the compensation level of the President and CEO;
- reviews and approves changes to the peer group for assessment of the competitiveness of our compensation from time to time;
- approves and oversees recommendations from the President and CEO for compensation for other members of the Group Leadership Team and any other executive-level direct reports to the President and CEO;
- reviews and approves goals and objectives relevant to the compensation for other members of the Group Leadership Team and any other executive-level direct reports to the President and CEO, and reviews the results of the evaluation of their performance in relation to the approved goals and objectives;
- reviews and periodically makes recommendations to the Board regarding the operation and amendment of any long-term incentive arrangements and all equity plans;
- reviews the content of and ensuring compliance with the share ownership policy;
- recommends to the board equity grants for the President and CEO; and
- reviews and approves equity grant nominations to direct reports of the President and CEO.

Independent consultant

The Personnel Committee retains the use of Aon, an independent external consultant, to assist in the review and determination of executive compensation. The consultant works directly with the Personnel Committee and meets at least annually with the committee, without management present to provide advice on:

- market data and appropriateness of compensation information compiled by management;
- the appropriateness and competitiveness of our compensation program relative to market levels and practice; and
- executive compensation trends and developments.

The Committee has reviewed and established that the consultant that works for the Personnel Committee is independent of Nokia and does not have any other business relationships with Nokia.

President and CEO

The President and CEO plays an active role in compensation governance and performance management processes for the Group Leadership Team and the wider employee population at Nokia.

The President and CEO is not a member of the Personnel Committee and does not vote at Personnel Committee meetings nor does he participate in any conversations regarding his own compensation.

Equity compensation

Equity compensation program

A key component of executives' and senior managers' compensation is equity-based long-term incentives with the purpose of aligning the participants' interests with those of shareholders. The amount of equity as a percentage of the compensation package increases with the seniority of the role. Awards from the annual grant process are linked to the company's performance management framework and the performance of Nokia against our long-term revenue and EPS targets. Additionally, we have a restricted share plan in place, which is targeted at retention of key employees and new hires in countries where such awards are common and where we need to match local market practice to retain or hire such people.

The active equity plans in 2015 and 2016 are as follows:

	Equity plan		
Details	Performance shares	Restricted shares	Employee share purchase plan
Eligible employees	Grade based eligibility	Grade based eligibility	All employees in participating countries
Purpose	Annual long-term incentive awards, to reward for delivery of sustainable long-term performance, align with the interests of shareholders and aid retention of key employees	Exceptional recruitment and retention	Encourage share ownership within the Nokia employee population, increasing engagement and sense of ownership in the company
Vesting schedule	Three year vesting period based on financial targets for two years	Vest equally in three tranches on the 1st, 2nd and 3rd anniversary of grant	Matching shares vest at the end of the 12-month savings period

Additionally in 2015, we also had outstanding awards under the 2007 and 2011 stock option plans and the Nokia Networks EIP. Stock options under the 2007 option plan lapsed on January 1, 2016. No new awards have been made under these plans since 2013. These are described in the section on legacy equity compensation programs "—Legacy equity compensation programs" below.

As of February 12, 2016, when new Nokia shares were issued as consideration for the Alcatel Lucent securities tendered into the subsequent French and/or U.S. offers, and consequently, included in the aggregate amount of Nokia shares, the aggregate maximum dilution effect of our currently outstanding equity programs, assuming that the performance shares would be delivered at maximum level and including the aggregate amount of Nokia shares, was approximately 0.86%. The potential maximum dilution effect of the equity program 2016 would approximately be an additional 1.04%, assuming delivery at maximum level for performance shares and the delivery of matching shares against the maximum amount of contributions of approximately EUR 60 million under the employee share purchase plan. Employees of Alcatel Lucent that have transferred as part of the acquisition of Alcatel Lucent are only included in equity plans under the equity program 2016.

Performance shares

The performance shares represent a commitment by us to deliver Nokia shares to employees at a future point in time, subject to our fulfillment of pre-defined performance criteria. They vest to participants after three years based on the performance of the company against its targets for the first two financial years. The Board believes the practice of a two-year performance period which gives greater predictability in a fast changing environment and supports greater alignment of underlying achievement with payments, is appropriate in the current business context. Targets are set in the context of the Board's view of the future business plans for Nokia, investor expectations and analyst forecasts, and the Board will continue to review the suitability of the two-year performance period for future years. The table below illustrates the performance criteria of the performance share plans for 2013 through to 2016. Targets are set by reference to the company's long-term plans and in the context of investment analysts' forecasts for the business.

Performance criteria (non-IFRS)(1)	2016	2015	2014	2013
Average annual net sales Nokia Group	Yes	Yes(2)	Yes	Yes(3)
Average annual EPS Nokia Group	Yes	Yes(2)	Yes	Yes
Minimum settlement at below threshold performance(4)	25%	25%	25%	0%

(1) Non-IFRS measures exclude all material special items for all periods. Additionally, non-IFRS results exclude intangible asset amortization and other purchase price accounting-related items arising from business acquisitions.

(2) The Board is expected to approve an amendment to the performance condition of the performance share plan 2015 in conjunction with the publication of Nokia's Q1/2016 results announcement to reflect the new organizational structure and scope of the Nokia Group. The amendment would adjust the net sales and EPS performance targets to remove the HERE related impact for the 4th quarter of 2015 following the sale of HERE in 2015 and restate the 2016 targets based on the combined Nokia Group following the acquisition of Alcatel Lucent in January 2016.

(3) The performance condition was amended at the time of the Sale of the D&S Business to reflect the new profile of the business and different annual revenue levels of the new business. The amendment introduced a metric set on the basis of the Average Net Sales Index over the two-year performance period in replacement of the metric set on the basis of the Average Annual Net Sales Revenue. The 'Net Sales Index' relates to the final non-IFRS annual net sales achieved through the business operations of Nokia Group (excluding Nokia Networks) in relation to 2013 and for Nokia Networks, HERE and Nokia Technologies in relation to 2014, expressed as a percentage of the annual target set for each year. A separate Annual Net Sales Index will be calculated for 2013 and 2014, and the average of the two will be calculated following the close of 2014 and used, in part, to determine the final payout under the Plan, which will occur after the one-year restriction period in 2016.

(4) In 2014, a minimum payout level was introduced to reinforce the retentive impact of the plan by giving some certainty to remaining employees during the transformation of Nokia following the Sale of the D&S Business and integration of the Nokia Networks business.

Until the shares have vested and been delivered to the participants, they carry no voting or dividend rights. The performance share grants are generally forfeited if the employment relationship terminates with Nokia prior to vesting.

Performance share plan 2016
In accordance with the previous year's practice, the primary equity instruments granted to executive employees and employees below the executive level are performance shares. The number of performance shares to be settled after the restriction period will start at 25% of the grant amount of 25 500 000 Nokia shares and any pay-out beyond this will be determined with reference to the financial performance against the established performance criteria during the two-year performance period. The grant under the performance share plan could result in an aggregate maximum payout of 51 000 000 Nokia shares, in the event that maximum performance against all the performance criteria is achieved.

The performance share plan 2016 has a three year vesting period and the performance of the plan is based on a two-year performance period (2016 and 2017). The shares will vest on January 1, 2019. The Board have continued with the practice of the two-year performance period which gives greater predictability in a fast changing environment and supports greater alignment of underlying achievement with payments. Targets are set in the context of the Board's view of the future business plans for Nokia and investor expectations and analyst forecasts and the Board will continue to review the suitability of the two-year performance period for future years. The Board is expected to approve the performance criteria targets of the performance share plan 2016 in conjunction with the publication of its Q1/2016 results announcement. The approval of the targets will be made later this year than in previous years in order to be able to consider all relevant financial information available for the new combined Nokia group so that targets are set appropriately.

The remuneration statement required by the Finnish Corporate Governance Code will be updated to include the performance targets once the targets have been approved.

Performance criterion	Weighting	Threshold performance(2)	Maximum performance(2)	Potential range of settlement
Nokia average annual non-IFRS(1) net sales during January 1, 2016—December 31, 2017	50%	*	*	Threshold number up to maximum level (4 x Threshold number)
Nokia average annual non-IFRS(1) EPS during January 1, 2016—December 31, 2017	50%	*	*	Threshold number up to maximum level (4 x Threshold number)

(1) Non-IFRS measures exclude all material special items for all periods. In addition, non-IFRS results exclude intangible asset amortization and other purchase price accounting-related items arising from business acquisitions.
(2) The Board is expected to approve the performance criteria targets of the performance share plan 2016 in conjunction with the publication of its Q1/2016 results announcement.

Achievement of the maximum performance for all criteria would result in the vesting of a maximum of 51 000 000 Nokia shares. Achievements beyond the maximum performance level will not cause any further shares to vest. Achievement of the threshold performance for all criteria will result in the vesting of approximately 12 750 000 shares. Minimum payout under the plan, even if threshold performance is not achieved, is 6 375 000 shares attributable to the 25% minimum payout. Until Nokia shares are delivered, the participants will not have any shareholder rights, such as voting or dividend rights associated with these performance shares.

Restricted shares
In 2015, restricted shares were used on a selective basis to ensure retention and recruitment of individuals deemed critical to our future success. The restricted shares vest in three equal tranches on the first, second and the third anniversary of the award subject to continued employment with Nokia.

In 2016, restricted shares are granted on a limited basis or exceptional purposes related to retention and recruitment, primarily in the United States, to ensure we are able to retain and recruit vital talent for the future success of Nokia. Restricted share awards made prior to 2015 vested in one tranche on the third anniversary of the date of grant. Until the shares are delivered, the participants will not have any shareholder rights, such as voting or dividend rights, associated with the restricted shares.

Employee share purchase plan
Under our employee share purchase plan, eligible employees can elect to make monthly contributions from their salary to purchase Nokia shares. The contribution per employee cannot exceed EUR 1 200 per year. The share purchases are made at market value on predetermined dates on a monthly basis during a 12-month savings period. Nokia will offer one matching share for every two purchased shares the employee still holds after the last monthly purchase has been made following the end of the 12-month savings period. Participation in the plan is voluntary to all employees in countries where the plan is offered. In addition, to welcome employees of Alcatel Lucent who have transferred to Nokia as part of the acquisition of Alcatel Lucent and to mark the beginning of the new Nokia Group, Nokia intends to offer 20 free shares for every participant making the first three consecutive share purchases in 2016.

Performance of previous equity programs

The recently vested performance share plan 2013 is the first to achieve above-threshold performance for some years, such that 86.25% of the target award granted to participants vesting on January 1, 2016, with diluted EPS for Continuing operations increasing from negative EUR (0.16) to EUR 0.67 from the fiscal year 2012 to 2014, including the two year performance period (2013–2014) of the plan.

The new strategy for Nokia delivered in 2014 with the focus on networks and the IoT has seen an increase in value for shareholders and a corresponding change in the performance of long-term incentive plans. In addition to the performance share plan 2013 achieving 86.25% of its target, the 2014 plan has achieved 125.72% and will vest to participants on January 1, 2017. In the same period the share price of Nokia has increased from EUR 3.49 per share on January 1, 2013 to EUR 6.60 on December 31, 2015 representing an increase of 89% and we have restored dividend payments.

Share price and Total Shareholder Return vs long-term incentive performance

Legacy equity compensation programs

Stock options

Although the granting of stock options ceased at the end of 2013, awards under the 2011 stock option plans remain in force. Stock options under the 2007 stock option plan lapsed on January 1, 2016 and no new Nokia shares can be subscribed for with the stock options awarded under the 2007 stock option plan.

Under the plans, each stock option entitles the holder to subscribe for one new Nokia share and the stock options are non-transferable and may be exercised for shares only. The difference between the two plans is in the vesting schedule as follows:

Plan	Vesting schedule
2007 stock option plan	■ 25% 12 months after grant ■ 6.25% each quarter thereafter ■ Lapsed on January 1, 2016
2011 stock option plan	■ 50% on third anniversary of grant ■ 50% on fourth anniversary of grant ■ Term is approximately six years

Shares will be eligible for dividends in respect of the financial year in which the share subscription takes place. Other shareholder rights will commence on the date on which the subscribed shares are entered in the trade register. The stock option grants are generally forfeited if the employment relationship terminates with Nokia.

Nokia Networks Equity Incentive Plan

The Nokia Networks EIP was established in 2012 by the board of Nokia Siemens Networks prior to Nokia's acquisition of full ownership of the Nokia Networks business. Under this Plan options over Nokia Solutions and Networks B.V. shares were granted to Mr. Suri and approximately 65 other Nokia Networks employees.

At that time, both Nokia and Siemens were considering a potential exit from Nokia Siemens Networks. The plan had two objectives:

(1) increase the value of Nokia Networks; and

(2) create an exit option for its parent companies. With the significantly improved performance of Nokia Networks, the first objective has been met. The second objective has not occurred and given the change in our strategy, the likelihood of a sale or an initial public offering ("IPO") has diminished.

The exercise price of the options is based on a Nokia Networks share value on grant, as determined for the purposes of the Nokia Networks EIP. The options will be cash-settled at exercise, unless an IPO has taken place, at which point they would be converted into equity-settled options.

The targets of the plan were set at a demanding level and payments from the plan represent the outstanding achievement of the Networks team. The actual payments, if any, under the Nokia Networks EIP will be determined based on the value of the Nokia Networks business and could ultimately decline to zero if the value of the business falls below a certain level. There is also a cap that limits potential gain for all plan participants.

If the second objective of the plan is not achieved and there is no exit event, options are cash-settled and the holder will be entitled to half of the share appreciation based on the exercise price and the estimated value of shares on the exercise date. In the unlikely event of an IPO or exit event the holder is entitled to the full value of the share appreciation. As the likelihood of a sale or IPO has reduced, the value of any payouts under the Nokia Networks EIP is expected to be reduced by 50%.

In the event that a sale or an IPO has not occurred, the maximum total payment to Mr. Suri pursuant to the plan would be limited to EUR 10.8 million. In the unlikely event of an IPO or exit event, the value of the options could exceed this maximum.

30% of the options became exercisable on the third anniversary of the grant date with the remainder vesting on the fourth anniversary or, if earlier, all the options will vest on the occurrence of certain corporate transactions such as an initial public offering (Refer to "Corporate Transaction" above).

If a Corporate Transaction has not taken place by the sixth anniversary of the grant date, the options will be cashed out. If an IPO has taken place, equity-settled options remain exercisable until the tenth anniversary of the grant date.

Alcatel Lucent liquidity agreements

Nokia, Alcatel Lucent and certain beneficiaries of Alcatel Lucent stock option and performance share plans have entered into liquidity agreements, pursuant to which the Alcatel Lucent performance shares, or the Alcatel Lucent shares resulting from the stock options exercises, would be exchanged to for either (i) Nokia shares according to an exchange ratio of 0.55 Nokia shares for each Alcatel Lucent share, or for (ii) a cash amount equivalent to the market value of such Nokia shares, provided in any case that a reduced liquidity event has occurred. A reduced liquidity was acknowledged on February 12, 2016 in respect of Alcatel Lucent shares. The choice for the settlement in cash or in Nokia shares is at Nokia's sole discretion, subject to the possible applicable legal, regulatory or other local constraints.

The exchange ratio of 0.55 is subject to some adjustments in the event of financial transactions of Nokia or Alcatel Lucent, in order to allow the holders of stock options or the recipients of performance shares to obtain the same value in Nokia shares or in cash which they would have obtained had such transactions not taken place. Liquidity agreements have been offered also to current Group Leadership Team members who held Alcatel Lucent stock options or performance shares that were eligible for liquidity agreements.

Share ownership of the Board of Directors, the President and Chief Executive Officer and the Nokia Group Leadership Team

General

The following section describes the ownership or potential ownership interest in Nokia of the members of our Board, the President and CEO and, on aggregate level, the Group Leadership Team at December 31, 2015, either through share ownership or, with respect to the President and CEO and the Group Leadership Team, through holding of equity-based incentives, which may lead to share ownership in the future.

With respect to the Board, approximately 40% of director compensation is paid in the form of Nokia shares that are purchased from the market or, alternatively, by using treasury shares held by Nokia. The remainder of the remuneration, approximately 60%, is paid in cash, most of which is typically used to cover related taxes. It is also our policy that the directors retain until the end of their directorship the net after-tax number of shares that they have received as remuneration for their duties as members of the Board during their first three years of service. Additionally, it is our policy that non-executive members of the Board do not participate in any of Nokia's equity programs and do not receive stock options, performance shares, restricted shares or any other equity-based or otherwise variable compensation for their duties as Board members.

For a description of the remuneration of our Board members, refer to "—Board of Directors" above.

The President and CEO receives equity-based compensation primarily in the form of performance shares. Stock options are no longer granted and restricted shares are only granted in exceptional circumstances. For a description of our equity-based compensation programs for employees and executives, refer to "—Equity compensation" above.

Share ownership of the Board of Directors

At December 31, 2015, the members of our Board held the aggregate of 1 414 445 shares and ADSs in Nokia, which represented 0.04% of our outstanding shares and total voting rights excluding shares held by Nokia Group at that date.

The following table sets forth the number of shares and ADSs held by the members of the Board at December 31, 2015:

Name(1)	Shares(1)	ADSs(1)
Risto Siilasmaa	992 334	–
Vivek Badrinath	19 255	–
Bruce Brown	–	74 847
Elizabeth Doherty	30 754	–
Simon Jiang	8 666	–
Jouko Karvinen	72 723	–
Elizabeth Nelson	–	87 308
Kari Stadigh	128 558	–

(1) The number of shares or ADSs includes not only shares or ADSs received as director compensation, but also shares or ADSs acquired through any other means. Stock options or other equity awards that are deemed as being beneficially owned under the applicable SEC rules are not included. For the number of shares or ADSs received as director compensation, refer to Note 34, Related party transactions, of our consolidated financial statements included in this annual report.

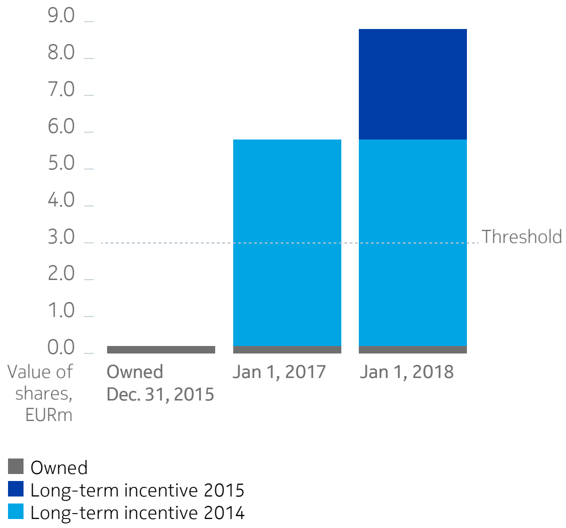
Share ownership of the President and Chief Executive Officer and the Nokia Group Leadership Team

The following table sets forth the share ownership of the President and CEO, and the Group Leadership Team members in office, in aggregate, at December 31, 2015. The share ownership of all members of the Group Leadership Team, including Mr. Suri, was approximately 0.01% of the outstanding shares of the company at December 31, 2015. The share ownership requirement of the President and CEO as well as the Group Leadership Team members is describer under "—Variable pay" above.

	Beneficially owned shares number
Rajeev Suri, President and CEO	29 722
Other members of the Group Leadership Team, in aggregate	200 055

In addition to the 29 722 shares held by Mr. Suri, there are a number of unvested performance shares that are expected to vest in the coming years. The performance of the performance share plan 2014 is now known and 125.72% of the target award is expected to vest on January 1, 2017. The chart below shows the expected value of shares valued at EUR 6.60 on December 31, 2015 compared to the shareholding requirement for Mr. Suri. Unvested performance shares under the performance share plan 2015 are valued below at "on target" performance until the final performance level of the plan is known. Subject to the terms and conditions of the long-term incentive plans and the potential sale of vesting share awards to meet associated tax liabilities, it is expected that Mr. Suri will meet the shareholding requirements within the next 12 months.

Shareholding target and awards held by the President and CEO of Nokia



1. Valued at EUR 6.60 per share as at December 31, 2015.
2. Projections do not take into account any potential sales of shares to meet tax associated liabilities.
3. Subject to disposals to meet tax liabilities it is expected that the President and CEO will meet the shareholding requirements of Nokia when the long-term incentive 2014 awards vest assuming that they vest at or above target.

Unvested Equity awards held by the President and Chief Executive Officer at December 31, 2015

The following table provides certain information relating to performance shares held by the President and CEO at December 31, 2015. These entitlements were granted pursuant to our performance share plans 2014 and 2015. The 2014 performance share plan will vest on January 1, 2017, and is expected to vest at 125.72% of the target award. For a description of our performance share plans, refer to Note 25, Share based payment, of our consolidated financial statements included in this annual report.

Performance shares:

	Shares receivable through performance shares at threshold	Shares receivable through performance shares at maximum[(1)]
Number of unvested equity awards held by the President and CEO	538 520	2 154 078

(1) At maximum performance under the performance share plans 2014 and 2015, the number of shares deliverable equals four times the number of performance shares at threshold. The performance period for the performance share plan 2014 ended on December 31, 2015, and the threshold performance criteria for net sales and EPS were met and a settlement to the participants will occur in accordance with the plan in 2017.

Other share-based awards

Additionally, Mr. Suri holds options under the Nokia Networks EIP as described under "—Long-term incentives" above.

Unvested equity awards held by the Nokia Group Leadership Team at December 31, 2015

The following table sets forth the potential ownership interest through the holding of equity-based incentives of the Nokia Group Leadership Team, including the President and CEO.

	Shares receivable through stock options	Shares receivable through performance shares at threshold	Shares receivable through performance shares at maximum[(4)]	Shares receivable through restricted shares
Number of unvested equity awards held by the Group Leadership Team[(1)]	565 000	1 108 462	4 433 846	206 164
% of the outstanding shares[(2)]	0.01%	0.03%	0.11%	0.01%
% of the total outstanding equity incentives (per instrument)[(3)]	15.52%	9.67%	9.67%	9.80%

(1) Includes the four Group Leadership Team members in office at year-end 2015.
(2) The percentages are calculated in relation to the outstanding number of shares and total voting rights of Nokia at December 31, 2015, excluding shares held by Nokia Group. No member of the Group Leadership Team owns more than 1% of the Nokia shares.
(3) The percentages are calculated in relation to the total outstanding equity incentives per instrument.
(4) At maximum performance under the performance share plans 2014 and 2015, the number of shares deliverable equals four times the number of performance shares at threshold. The performance period for the performance share plan 2014 ended on December 31, 2015, and the threshold performance criteria for net sales and EPS were met and a settlement to the participants will occur in accordance with the plan in 2017.

Insider trading in securities

The Board has established a policy in respect of insiders' trading in Nokia securities ("Insider Policy"). Under the Insider Policy, the holdings of Nokia securities by the members of the Board and the Group Leadership Team are considered public information. Nokia insiders (as defined in the Insider Policy) are subject to certain trading restrictions and rules, including, among other things, prohibitions on trading in Nokia securities during the 30-calendar day "closed-window" period immediately preceding the release of our interim and annual results including the day of the release. Nokia can also set trading restrictions based on participation in projects. We update our Insider Policy from time to time and provide training to ensure compliance with the policy. Nokia's Insider Policy is in line with the Nasdaq Helsinki Guidelines for Insiders and also sets requirements beyond those guidelines.

Other related party transactions

Other than the paid compensation, as described above, there have been no material transactions during the last three fiscal years to which any director, executive officer or 5% shareholder, or any relative or spouse of any of them, was a party. There is no significant outstanding indebtedness owed to Nokia by any director, executive officer or 5% shareholder.

There are no material transactions with enterprises controlling, controlled by or under common control with Nokia or associates of Nokia. Refer to Note 34, Related party transactions, of our consolidated financial statements included in this annual report.