

Questions and Answers on the Annual General Meeting 2013 and its Agenda

Why has the Nokia Board of Directors proposed not to pay dividend?

The Board has proposed to the Annual General Meeting that no dividend be paid for the fiscal year 2012.

Nokia Group 2012 reported net profit was negative EUR 3.1 billion and Nokia Group net cash position decreased from EUR 5.6 billion at the end of 2011 to EUR 4.4 billion at the end of 2012. In addition, Nokia Corporation's results for fiscal year 2012 were negative.

To ensure strategic flexibility, the Board proposes that no dividend payment will be made for 2012. Nokia's fourth quarter 2012 financial performance combined with this dividend proposal further solidifies the company's strong liquidity position.

Can shareholders use their right to demand distribution of minority dividend for the fiscal year 2012?

The Company has to pay dividend, minimum of half of the profit of the fiscal year, if shareholders representing at least 10 per cent of the outstanding shares, demand this at the Annual General Meeting. Since minority dividend can only be demanded when company makes profit and since Nokia Corporation's 2012 net profit was negative the shareholders cannot demand distribution of minority dividend.

What does discharging of the Chairman, the members of the Board of Directors and the President and CEO from liability mean?

This is one of the standard matters voted on at Nokia's shareholders' meetings, which according to Finnish mandatory law must be discussed and resolved at each AGM for the preceding financial year. In principle, the resolution provides a release from liability towards the Company for the Chairman and the members of the Board and the President, for matters occurred during the fiscal year 2012. This release from liability will only cover matters that are within the knowledge of Nokia and the shareholders when the resolution is adopted.

How does the proposal on the remuneration to the members of the Board of Directors compare to remuneration paid in previous years?

The Board's Corporate Governance and Nomination Committee proposes to the AGM that the remuneration payable to the members of the Board to be elected at the AGM for the term until the close of the AGM in 2014 remain at the same level as it has been for the past five years.

The Corporate Governance and Nomination Committee proposes that in accordance with the past practice approximately 40% of the remuneration be paid in Nokia shares purchased from the market, which shares shall be retained until the end of the board membership in line with the Nokia policy. The rest of the remuneration would be payable in cash, most of which is typically used to covering taxes arising out of the remuneration.

Does the Corporate Governance and Nomination Committee propose a change in the Board members?

The Board's Corporate Governance and Nomination Committee will propose to the Annual General Meeting that the number of Board members be ten (10) and that the following current Nokia Board members be re-elected as members of the Nokia Board of Directors for a term ending at the Annual General Meeting in 2014: Bruce Brown, Stephen Elop, Henning Kagermann, Jouko Karvinen, Helge Lund, Mårten Mickos, Elizabeth Nelson, Risto Siilasmaa and Kari Stadigh.

In addition, the Committee will propose that Elizabeth Doherty be elected to Nokia Board of Directors for the same term.

The Corporate Governance and Nomination Committee will propose in the assembly meeting of the new Board of Directors after the Annual General Meeting on May 7, 2013 that Risto Siilasmaa be elected as Chairman of the Board and Jouko Karvinen as Vice Chairman of the Board, subject to their election to the Board of Directors.

More information on all the candidates is available in the Committee's proposal on Nokia's website. Learn more about [Proposal by the Corporate Governance and Nomination Committee for Composition of the Board of Directors](#).

What does the proposal regarding auditor remuneration mean?

According to Nokia's Articles of Association, the AGM shall resolve on the remuneration to be paid to the Company's external auditor. The Board's Audit Committee proposes for the AGM's approval that the external auditor, to be elected by the AGM, be reimbursed based on the auditor's invoice to the Company, and in accordance with the purchase policy approved by the Audit Committee. The Committee oversees the qualifications and independence of the Company's external auditor. This includes the adoption of pre-approval policy for the purchase of audit and non-audit services from the external auditor and overseeing compliance with such policy.

Information on the fees paid to the auditor in 2012 broken down by audit and non-audit fees is available in the [Nokia in 2012](#) as well as in [Nokia's Form 20-F for 2012](#).

What does the proposal of the Audit Committee mean in respect of the election of the Auditor?

According to Nokia's Articles of Association, shareholders of the Company elect the external auditor at the AGM for one fiscal year at a time. The Board's Audit Committee proposes to the shareholders the re-election of the Company's current auditor PricewaterhouseCoopers Oy for the fiscal year 2013 based on its evaluation of the auditor's performance and independence during fiscal year 2012. If PricewaterhouseCoopers Oy is re-elected, it has informed the Audit Committee that the Auditor-in-charge will be Heikki Lassila.

Why does the Board propose an authorization to repurchase own shares?

As a Finnish company Nokia may not, pursuant to mandatory Finnish law, repurchase Nokia shares without the shareholders' approval, or the shareholders' authorization to the Board for these actions. The Nokia Board proposes that it be authorized to repurchase Nokia shares similarly to and for the same purposes as in previous years.

The shares may be repurchased under the proposed authorization in order to develop the capital structure of the Company. In addition, the shares may be repurchased in order to finance or carry out acquisitions or other arrangements, to settle the Company's equity-based incentive plans, to be transferred for other purposes, or to be cancelled. The proposed amount of authorization, a maximum of 370 million shares, corresponds to less than 10% of the shares of the Company.

The shares may be repurchased through a tender offer made to all the shareholders on equal terms determined by the Board, in proportion to the shares held by the shareholders, and for an equal price or through market places the rules of which allow companies to trade with their own shares.

It is proposed that the authorization be effective until June 30, 2014 and that the authorization terminates the authorization for repurchasing of Company's shares resolved at the AGM on May 3, 2012.

What does the proposed authorization to issue shares and special rights entitling to shares mean?

Based on the authorization, the Board could issue shares through issuance of shares or special rights entitling to shares (including stock options). Shares and special rights could be issued by deviating from the shareholders' pre-emptive right. The authorization could be used to develop the Company's capital structure, diversify the Company's shareholder base, finance or carry out acquisitions or other arrangements, settle the Company's equity-based incentive plans, or for other purposes resolved by the Board. In total, the Board could issue a maximum of 740 million shares under this authorization.

It is proposed that the authorization would be effective until June 30, 2016. The authorization terminates the similar authorization for issuance of shares and special rights entitling to shares, resolved at the Annual General Meeting on May 6, 2010.

How do I vote in advance?

A shareholder may attend the Annual General Meeting also by voting in advance on certain items on the agenda on the Company's website from January 30, 2013 to April 29, 2013 at 4.00 p.m. (Finnish time). Personal Finnish book-entry account number of the shareholder is needed for identification when voting in advance. For the purpose of identification also another account of the shareholder than the one, where the shareholder's Nokia shares are, may be used. The conditions and other instructions relating to the electronic advance voting may be found on the Company's website.

How does voting in advance affect shareholder's rights in the Annual General Meeting?

A shareholder voting in advance may not use his/her right under the Finnish Companies Act to ask questions, request a vote or to make counterproposals at the Annual General Meeting by attending the Meeting in person or by way of proxy representation. Also his/her possibility to vote on an item regarding which the resolution proposals may have changed after the beginning of the advance voting period may be restricted.

Is it possible to make changes to votes cast in advance?

Votes cast in advance may be changed on the Company's website until April 29, 2013 at 4:00 p.m. (Finnish time). A shareholder may also make changes to his/her votes at the meeting venue by contacting the information desk. Such changes are advised to be made before the beginning of the Meeting.

Who has the right to participate in the AGM 2013 and what is the last day to buy shares if I want the right to attend and vote in the AGM?

Each shareholder, who is registered on April 24, 2013 in the Register of Shareholders of the Company, has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her Finnish book-entry account, is registered in the Register of Shareholders of the Company. A shareholder, who wishes to participate in the Annual General Meeting, may register for the Meeting by giving a prior notice of participation no later than on April 29, 2013 at 4:00 p.m. (Finnish time) by which time the registration needs to arrive in the Company. If shareholder wishes to attend and vote in the Annual General Meeting 2013, in practice he/she must purchase the company's shares three banking days before the record date in order to have the shares registered in the Register of the Shareholders of the Company on the record date. This year the record date is April 24, 2013 and accordingly the last day to purchase the shares is April 19, 2013.

How can I obtain the proposals regarding the AGM agenda and resolutions to be made?

The proposals by the Board of Directors and its Committees are available in their entirety on this AGM website under “Proposals to the AGM” and in the [Notice of the Annual General Meeting](#). The proposals by the Board are also available at the AGM. Copies of the documents will be sent to shareholders upon request.

The Company will issue a release on the resolutions of the AGM and disclose the resolutions on its website. The minutes of the meeting will be available for review for shareholders on Company’s website as from May 21, 2013 at the latest. Copies of the minutes will be sent to shareholders upon request.