Questions and Answers on the Annual General Meeting 2012 and its Agenda

What is the dividend amount proposed by the Nokia Board of Directors?

The Nokia Board of Directors proposes that from retained earnings a dividend of EUR 0.20 per share is to be paid out on the shares of the Company. The proposed dividend is in line with the Company’s distribution policy.

More information on dividend history is available in the “Nokia in 2011” document as well as in Nokia’s Form 20-F for 2011.

Who is entitled to the proposed dividend?

The dividend will be paid to shareholders registered in the Company’s Register of Shareholders on the record date for dividend distribution May 8, 2012. In practice this means that due to the time needed for the settlement of trades, a Nokia share must be purchased at the latest on the day of the AGM, May 3, 2012, in order for the buyer to be registered in the shareholder register on the record date. If a Nokia share is purchased on May 4, 2012 (the ex-dividend date) or thereafter the buyer will not receive the proposed dividend.

Nokia New 2012 shares do not entitle their holders to the proposed dividend due to the terms and conditions of the relevant Nokia stock option plans.

When will the dividend be paid?

Nokia will pay the dividend to all bank accounts in Finland on May 23, 2012. If the bank account of a shareholder is in a bank outside Finland, the shareholder should receive the dividend through his or her bank, broker or custodian shortly after May 23, 2012 depending on the practices of the intermediary banks and brokers transferring the dividend payments.

The dividend payment date for American Depository Receipt (ADR) holders will be on or about May 29, 2012. The dividend payment date for ADR holders has been determined by the ADR agent bank (Citibank).

What does discharging of the Chairman, the members of the Board of Directors and the President 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 2011. 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 2013 be unchanged from 2011. The remuneration to Chairman has remained the same since 2008 and the remuneration to the Vice Chairman and the members of the Board of Directors has remained the same since 2007.

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.
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 eleven (11) 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 2013: Stephen Elop, Henning Kagermann, Jouko Karvinen, Helge Lund, Isabel Marey-Semper, Dame Marjorie Scardino, Risto Siilasmaa and Kari Stadigh.

In addition, the Committee will propose that Bruce Brown, Chief Technology Officer, Procter & Gamble Company, Mårten Mickos, CEO of Eucalyptus Systems, Inc. and Elizabeth Nelson, Independent Corporate Adviser, be elected to Nokia Board of Directors for the same term.

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 according to 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 2011 broken down by audit and non-audit fees is available in the Nokia in 2011 document as well as in Nokia’s Form 20-F for 2011.

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 2012 based on its evaluation of the auditor’s performance and independence during fiscal year 2011. 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.

In addition to developing Nokia’s capital structure, the authorization to repurchase shares may be also used to carry out financing or other arrangements. The proposed amount of authorization, a maximum of 360 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 public trading on such stock exchanges the rules of which allow companies to trade with their own shares.

It is proposed that the authorization be effective until June 30, 2013 and that the authorization terminates the authorization for repurchasing of Company’s shares resolved at the AGM on May 3, 2011.
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 February 1, 2012 to April 25, 2012 at 4:00 p.m. (Finnish time). The Finnish book-entry account number of the shareholder is needed for identification when voting in advance. It may however be another account than the one, where the shareholder’s Nokia shares are. 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 a 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 or request a vote. 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. It is not possible to make a counterproposal when voting in advance. A shareholder is, however, entitled to all such rights, should he/she attend the Meeting in person or by means of proxy representation.

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 25, 2012 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 2012 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 20, 2012 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 25, 2012 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 2012, 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 20, 2012 and accordingly the last day to purchase the shares is April 17, 2012.

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 website under “Proposals to the AGM” and the Notice of the Annual General Meeting on the main page. 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 17, 2012, at the latest. Copies of the minutes will be sent to shareholders upon request.