

Corporate governance statement

This corporate governance statement is prepared in accordance with Chapter 7, Section 7 of the Finnish Securities Markets Act (2012/746, as amended) and the Finnish Corporate Governance Code 2020 (the “Finnish Corporate Governance Code”).

Introduction

In 2020, we continued delivering on Nokia’s commitment to strong corporate governance and related practices. To do that, the Board activities are structured to develop the company’s strategy and to enable the Board to support the management on the delivery of it within a transparent governance framework. The table below sets out a high-level overview of the key areas of focus for the Board’s and its Committees’ activities during the year in addition to regular business and financial updates at each Board meeting and several reviews of the impacts and actions relating to the COVID-19 pandemic.

	January	February/March	April
Board	<ul style="list-style-type: none"> - Digitalization update - Ethics & compliance and litigation update - Board evaluation 	<ul style="list-style-type: none"> - CEO change - Postponing 2020 AGM due to COVID-19 - Remuneration Policy to be presented to the AGM - Nokia Equity Program 2020 	<ul style="list-style-type: none"> - Transformation update - Convening the remote AGM
Corporate Governance and Nomination Committee	<ul style="list-style-type: none"> - Board composition and remuneration - Corporate governance statement 	<ul style="list-style-type: none"> - AGM proposals 	
Personnel Committee	<ul style="list-style-type: none"> - Incentive targets and objectives - Nokia Equity Program - Investor feedback on remuneration practices 	<ul style="list-style-type: none"> - CEO remuneration - Remuneration Policy review 	
Audit Committee		<ul style="list-style-type: none"> - Q4 and full-year 2019 financials, annual report - Compliance, internal audit and internal controls updates - Auditor reporting - Update by the new auditor - AGM proposals to the Board - Structured finance update 	<ul style="list-style-type: none"> - Q1 financials - Compliance, internal audit and internal controls updates - Auditor reporting - Tax update - Cybersecurity - Conflict Minerals Report
Technology Committee	<ul style="list-style-type: none"> - Review of strategic technology initiatives - Updates on major innovation and technology trends 		

Furthermore, there were a number of significant corporate governance events in 2020. In addition to the new Board Chair and Vice Chair, the President and CEO and the Chief Financial Officer were changed and we also announced several changes in the Group Leadership Team structure and composition. We also held our first-ever fully remote annual general meeting at which the first vote was taken on the Remuneration Policy applicable to the Board members and the President and CEO.

Changes in the Board, management and auditor in 2020

At the end of 2019 then Chair of the Board Risto Siilasmaa informed the Board's Corporate Governance and Nomination Committee that he will no longer be available to serve on the Nokia Board of Directors after the Annual General Meeting in 2020. Mr. Siilasmaa had been a Nokia Board member since 2008 and served as Board Chair from 2012 onwards. He also served as interim CEO of Nokia from 2013 to 2014. Consequently, Vice Chair Sari Baldauf was elected as the new Chair of the Board and Kari Stadigh as the new Vice Chair following their re-election to the Board by the Annual General Meeting in 2020.

On March 2, 2020, Nokia's Board of Directors appointed Pekka Lundmark as the President and CEO of Nokia and he started in his new role on August 1, 2020. The previous President and CEO Rajeev Suri stepped down

from his position on July 31, 2020 while continuing to serve as an advisor to the Nokia Board until January 1, 2021.

On June 11, 2020, Nokia announced the appointment of Marco Wirén as the new Chief Financial Officer of Nokia, effective September 1, 2020. The previous Chief Financial Officer Kristian Pullola stepped down from his position on August 31, 2020.

On October 29, 2020, Pekka Lundmark announced the composition of the new Group Leadership Team, effective January 1, 2021. Refer to the section on the Group Leadership Team and the President and CEO below for further information.

On January 1, 2020 Deloitte Oy started as the new auditor of the company as result of the auditor rotation resolved by the Annual General Meeting in 2019.

Annual General Meeting 2020 and 2021

On March 18, 2020, Nokia cancelled the Annual General Meeting originally convened to be held on April 8, 2020 due to the COVID-19 pandemic and related restrictions on public gatherings.

On April 27, 2020, the Board resolved on extraordinary measures pursuant to the temporary legislation approved by the Finnish Parliament on April 24, 2020. In order to prevent the spread of the COVID-19 pandemic, the Annual General Meeting was

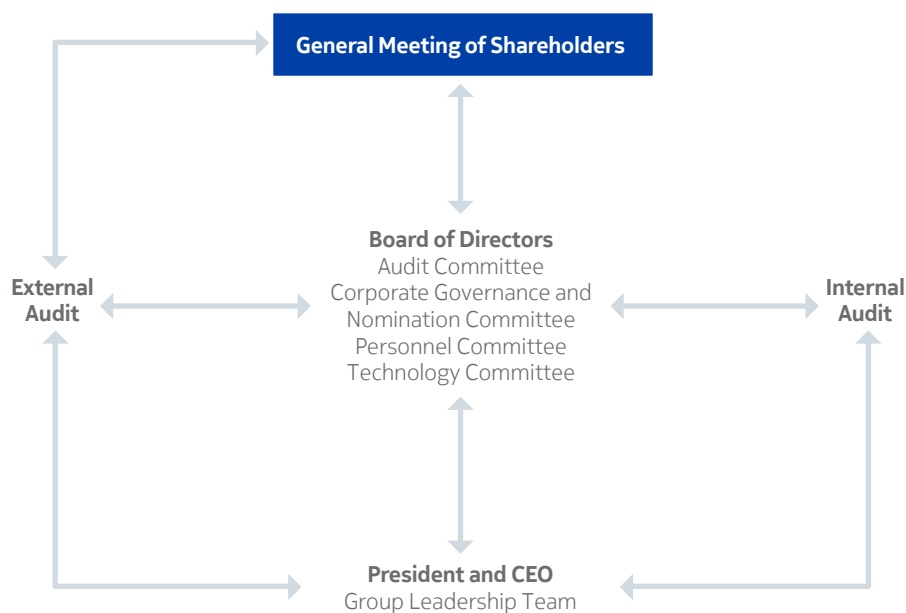
convened to be held without shareholders and their proxy representatives being present at the meeting venue. Participation in the Annual General Meeting and use of shareholder rights was possible only by voting in advance, by submitting counterproposals and asking questions in advance.

The Annual General Meeting 2020 eventually took place at the Company's headquarters in Espoo on May 27, 2020. Approximately 43 000 shareholders representing approximately 2 300 million shares and votes were represented at the Annual General Meeting through advance voting. The Annual General Meeting supported all of the Board's proposals by at least 86 percent of the votes cast.

As the COVID-19 situation remains serious, Nokia Corporation's Annual General Meeting 2021 is planned to be held on April 8, 2021 under extraordinary measures pursuant to the temporary legislation, which entered into force on October 3, 2020 to prevent the spread of the COVID-19 pandemic. Participation and exercise of shareholder rights in the meeting will be possible only by voting in advance and by submitting counterproposals and asking questions in advance. It is not possible for the shareholders or their proxy representatives to participate in the meeting at the meeting venue. Proposals of the Board of Directors to the Annual General Meeting 2021 were published on February 4, 2021.

May	July	September/October	December
<ul style="list-style-type: none"> - Technology Strategy update - Digitalization update - Appointment of the new Board Chair 	<ul style="list-style-type: none"> - Annual sustainability review - Key market strategies 	<ul style="list-style-type: none"> - Annual strategy meeting - New operating model planning 	<ul style="list-style-type: none"> - Annual plan and long-range plan - Enterprise Risk Management - Business group strategy planning
<ul style="list-style-type: none"> - Organization of the Board and its Committees 		<ul style="list-style-type: none"> - Future Board composition - Corporate governance update 	<ul style="list-style-type: none"> - Board evaluation process - Board's diversity principles - Proxy advisor policy update
<ul style="list-style-type: none"> - GLT LTI nominations - Investor feedback from Remuneration Policy voting in AGM 	<ul style="list-style-type: none"> - AGM update - PC Advisor update - Review of Share Ownership and Clawback Policies 	<ul style="list-style-type: none"> - Alignment on LTI approach - Risk review 	<ul style="list-style-type: none"> - 2021 incentive program framework - Culture - Remuneration Report for 2020
	<ul style="list-style-type: none"> - Q2 financials - Auditor reporting - Compliance, internal audit and internal controls updates - Climate-related financial disclosures 	<ul style="list-style-type: none"> - Q3 financials - Auditor reporting - Compliance, internal audit, internal controls updates - Financial IT - Cybersecurity 	<ul style="list-style-type: none"> - CFO organization - Pensions update - 20-F and annual report update - Financing strategy - Annual Charter and Policy review
<ul style="list-style-type: none"> - Review of strategic technology initiatives - Updates on major innovation and technology trends 		<ul style="list-style-type: none"> - Review of strategic technology initiatives - Updates on major innovation and technology trends 	<ul style="list-style-type: none"> - Review of strategic technology initiatives - Updates on major innovation and technology trends

Corporate governance framework



Regulatory framework

Our corporate governance practices comply with Finnish laws and regulations, our Articles of Association approved by the shareholders and corporate governance guidelines (Corporate Governance Guidelines) adopted by the Board of Directors. Corporate Governance Guidelines reflect our commitment to good corporate governance. They include the directors' responsibilities, the composition and election of the members of the Board and its Committees, and certain other matters relating to corporate governance. We also comply with the Finnish Corporate Governance Code issued by the Securities Market Association.

In addition, we comply with the rules and recommendations of Nasdaq Helsinki and Euronext Paris as applicable to us due to the listing of our shares on the exchanges. Furthermore, as a result of the listing of our American Depositary Shares on the New York Stock Exchange (NYSE) and our registration under the US Securities Exchange Act of 1934, we follow the applicable U.S. federal securities laws and regulations, including the Sarbanes-Oxley Act of 2002 as well as the rules of the NYSE, in particular the corporate governance standards under Section 303A of the NYSE Listed Company Manual. We comply with these standards to the extent such provisions are applicable to us as a foreign private issuer.

To the extent any non-domestic rules would require a violation of the laws of Finland, we are obliged to comply with Finnish law. There are no significant differences in the corporate governance practices applied by Nokia compared with those applied by the US companies under the NYSE corporate governance standards with the exception that Nokia complies with Finnish law with respect to the approval of equity compensation plans. Under Finnish law, stock option plans require shareholder approval at the time of their launch. All other plans that include the delivery of company stock in the form of newly issued shares or treasury shares require shareholder approval at the time of the delivery of the shares unless a shareholder approval has been granted through an authorization to the Board, a maximum of five years earlier. The NYSE corporate governance standards require that the equity compensation plans are approved by the company's shareholders. Nokia aims to minimize the necessity for, or consequences of, conflicts between the laws of Finland and applicable non-domestic corporate governance standards.

In addition to the Corporate Governance Guidelines adopted by the Board, the Committees of the Board have adopted charters that define each Committee's main duties and operating principles. The Board has also adopted the Code of Conduct that applies to directors, executives, and employees of Nokia, as well as employees of Nokia's wholly-owned affiliates and subsidiaries.

The Code of Conduct also applies to directors, officers, and employees of other business entities (such as joint ventures) in which Nokia owns a majority of the shares or exercises effective control. Furthermore, the Board has adopted the Code of Ethics applicable to our key executives, including the President and CEO, CFO and Corporate Controller.

Main corporate governance bodies of Nokia

Pursuant to the provisions of the Finnish Limited Liability Companies Act (2006/624, as amended) (the Finnish Companies Act) and Nokia's Articles of Association, the control and management of Nokia are divided among the shareholders at a general meeting, the Board, the President and CEO and the Group Leadership Team, chaired by the President and CEO.

General Meeting of Shareholders

Nokia shareholders play a key role in corporate governance, with our Annual General Meeting offering a regular opportunity to exercise their decision-making power in the company. In addition, at the meeting the shareholders may exercise their right to speak and ask questions, although in 2020 the use of shareholder rights happened by remote means only due to the COVID-19 pandemic and related precautions taken in order to ensure the health and safety of our shareholders, employees and other stakeholders. Refer to section "Introduction-Annual General Meeting 2020 and 2021" above for further information.

Each Nokia share entitles a shareholder to one vote at general meetings of Nokia. The Annual General Meeting decides, among other things, on the election and remuneration of the Board, the adoption of the annual accounts, the distribution of profit shown on the balance sheet, and discharging the members of the Board and the President and CEO from liability, as well as on the election and fees of the external auditor. Starting from the 2020 Annual General Meeting, the Remuneration Policy shall be presented to the general meeting at least every four years and the Remuneration Report annually from 2021. Resolutions regarding the policy and report are advisory.

In addition to the Annual General Meeting, an Extraordinary General Meeting may be convened when the Board considers such a meeting to be necessary, or when the provisions of the Finnish Companies Act mandate that such a meeting must be held.

Board of Directors

The operations of Nokia are managed under the direction of the Board, within the framework set by the Finnish Companies Act and Nokia's Articles of Association as well as any complementary rules of procedure as defined by the Board, such as the Corporate Governance Guidelines and the charters of the Board's Committees.

Election and composition of the Board of Directors, election of the Chair and Vice Chair of the Board and the Chairs and members of the Board's Committees

Pursuant to the Articles of Association of Nokia Corporation, we have a Board that is composed of a minimum of seven and a maximum of 12 members. The Board is elected at least annually at each Annual General Meeting with a simple majority of the shareholders' votes cast at the meeting. The term of a Board member begins at the closing of the general meeting at which he or she was elected, or later as resolved by the general meeting, and expires at the closing of the following Annual General Meeting. The Annual General Meeting convenes by June 30 annually.

Our Board's leadership structure consists of a Chair and Vice Chair elected annually by the Board, and confirmed by the independent directors of the Board from among the Board members upon the recommendation of the Corporate Governance and Nomination Committee. The Chair of the Board has certain specific duties as stipulated by Finnish law and our Corporate Governance Guidelines. The Vice Chair of the Board assumes the duties of the Chair of the Board in the event he or she is prevented from performing his or her duties.

The independent directors of the new Board also confirm the election of the members and chairs for the Board's Committees from among the Board's independent directors upon the recommendation of the Corporate Governance and Nomination Committee and based on each Committee's member qualification standards. These elections take place at the Board's assembly meeting following the general meeting.

Board diversity

The Board has adopted principles concerning Board diversity describing our commitment to promoting diverse Board composition and how diversity is embedded into our processes and practices when identifying and proposing new Board candidates as well as re-election of current Board members.

At Nokia, diversity is not a static concept but rather a relevant mix of required elements for the Board as a whole that evolves with time based on, among other things, the relevant business objectives and future needs of Nokia. The Board diversity is treated as a means of improvement and development rather than an end in itself. Diversity of our Board is considered from a number of aspects including, but not limited to, skills and experience, age, nationality, ethnicity, cultural and educational backgrounds, gender identity, sexual orientation as well as other individual qualities. Both genders shall be represented on the Board.

Nokia acknowledges and supports the resolution adopted by the Finnish Government on February 17, 2015 on gender equality on the boards of directors of Finnish large and mid-cap listed companies. We report annually our objectives relating to both genders being represented on our Board, the means to achieve them, and the progress we have made in achieving them. We have met our aim to have representation of at least 40% of both genders on our Board.









Currently there are six different nationalities represented in the Board and 44% of the Board members are female.

	Gender	Year of Birth	Nationality	Tenure ⁽¹⁾	Independence of the company and major shareholders ⁽²⁾	Audit Committee ⁽²⁾	Corporate Governance and Nomination Committee ⁽²⁾	Personnel Committee ⁽²⁾	Technology Committee ⁽²⁾
Sari Baldauf (Board Chair)	Female	1955	Finnish	2	Independent		Member		Member
Kari Stadigh (Board Vice Chair)	Male	1955	Finnish	9	Independent		Chair	Member	
Bruce Brown	Male	1958	American	8	Independent		Member	Chair	Member
Thomas Dannenfeldt	Male	1966	German	0	Independent	Member			Member
Jeanette Horan	Female	1955	British	3	Independent	Member			Member
Edward Kozel	Male	1955	American	3	Independent	Member			Chair
Elizabeth Nelson	Female	1960	American	8	Independent	Member		Member	
Søren Skou	Male	1964	Danish	1	Independent			Member	
Carla Smits-Nusteling	Female	1966	Dutch	4	Independent	Chair	Member		

(1) Terms as Nokia Board member before the Annual General Meeting on May 27, 2020.

(2) As of May 27, 2020.

Experience and skills of the Board members

General management and business operations		Finance and accounting	
Chief Executive Officer		Communications Service Provider market	
Chief Financial Officer		Enterprise business	
Chief Technology Officer		Technology	

Members of the Board of Directors

Until the Annual General Meeting held on May 27, 2020, the Board consisted of 10 members Sari Baldauf (Vice Chair), Bruce Brown, Jeanette Horan, Edward Kozel, Elizabeth Nelson, Olivier Piou, Risto Siilasmaa (Chair), Søren Skou, Carla Smits-Nusteling and Kari Stadigh.

The Annual General Meeting held on May 27, 2020 elected nine members to the Board for a term ending at the close of the next Annual General Meeting. Sari Baldauf, Bruce Brown, Jeanette Horan, Edward Kozel, Elizabeth Nelson, Søren Skou, Carla Smits-Nusteling and Kari Stadigh were re-elected and Thomas Dannenfeldt was elected as a new member. Following the meeting, the Board also elected Sari Baldauf to serve as the new Chair and Kari Stadigh as the new Vice Chair of the Board.

Proposals of the Board of Directors to the Annual General Meeting 2021 were published on February 4, 2021. Elizabeth Nelson has informed that she will no longer be available to serve on the Nokia Board of Directors after the Annual General Meeting. Consequently, the Board proposes, on the recommendation of the Board's Corporate Governance and Nomination Committee, that the following eight current Board members be re-elected as members of the Nokia Board of Directors for a term ending at the close of the next Annual General Meeting: Sari Baldauf, Bruce Brown, Thomas Dannenfeldt, Jeanette Horan, Edward Kozel, Søren Skou, Carla Smits-Nusteling, and Kari Stadigh. The Corporate Governance and Nomination Committee will also propose in the assembly meeting of the new Board of Directors that Sari Baldauf be re-elected as Chair of the Board and Kari Stadigh as Vice Chair of the Board, subject to their election to the Board of Directors.

The current and proposed members of the Board are all non-executive. For the term that began at the Annual General Meeting 2020 and for the term starting from the Annual General Meeting 2021, all Board member candidates have been determined to be independent from Nokia and significant shareholders under the Finnish corporate governance rules and the rules of the NYSE, as applicable. Any possible changes impacting the independence assessment would be assessed as of the date of the Annual General Meeting.

We do not have a policy concerning the combination or separation of the roles of the Chair of the Board and the President and CEO. Our leadership structure is dependent on our needs, shareholder value and other relevant factors applicable from time to time, while respecting the highest corporate governance standards. In 2020, the roles of the Chair of the Board and the President and CEO were separate.

Biographical details of our current Board members

Chair Sari Baldauf

b. 1955

Chair of the Nokia Board. Board member since 2018. Chair since 2020. Member of the Corporate Governance and Nomination Committee and the Technology Committee.

Master of Business Administration, Helsinki School of Economics and Business Administration, Finland. Bachelor of Science, Helsinki School of Economics and Business Administration, Finland. Honorary doctorates in Technology (Helsinki University of Technology, Finland) and Business Administration (Turku School of Economics and Business Administration and Aalto University School of Business, Finland).

Executive Vice President and General Manager, Networks Business Group, Nokia, 1998–2005. Various executive positions at Nokia in Finland and the United States 1983–1998.

Member of the Supervisory Board and Member of the Nomination Committee of Daimler AG. Member of Supervisory Board of Daimler Truck AG. Member of the Board of Directors and Chair of the Audit Committee of Aalto University. Chair of the Board of Directors of Vexve Armatury Oy. Senior Advisor of DevCo Partners Oy. Member of the Board of Directors of Demos Helsinki. Member of the Board of Directors and Member of the Executive Committee of Technology Industries of Finland.

Member of the Supervisory Board of Deutsche Telekom AG 2012–2018. Chair of the Board of Directors of Fortum Oyj 2011–2018. Member of the Board of Directors of Akzo Nobel 2012–2017.

Vice Chair Kari Stadigh

b. 1955

Vice Chair of the Nokia Board. Board member since 2011. Vice Chair since 2020. Chair of the Corporate Governance and Nomination Committee and member of the Personnel Committee.

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

Group CEO and President of Sampo plc 2009–2019. Deputy CEO of Sampo plc 2001–2009. President of Sampo Life Insurance Company Limited 1999–2000. President of Nova Life Insurance Company Ltd 1996–1998. President and COO of Jaakko Pöyry Group 1991–1996.

Member of the Board of Directors of Metso Outotec Corporation.

Chair of the Board of Directors of Mandatum Life Insurance Company Limited 2001–2019. Chair of the Board of Directors of If P&C Insurance Holding Ltd 2002–2019. Member of the Board of Directors of Nordea Bank AB (publ) 2010–2018. Chair of the Board Risk Committee (BRIC) of Nordea Bank AB (publ) 2011–2018.

Bruce Brown

b. 1958

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

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

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

Member of the Board of Directors, the Audit Committee and the Nominating and Corporate Governance Committee of P. H. Glatfelter Company.

Member of the Board of Directors, the Audit Committee and the Compensation Committee of Medpace Inc 2016–2019. Member of the Board of Directors of Agency for Science, Technology & Research (A*STAR) in Singapore 2011–2018.

Thomas Dannenfeldt

b. 1966

Nokia Board member since 2020. Member of the Audit Committee and the Technology Committee.

Degree in Mathematics, University of Trier, Germany.

Chief Financial Officer of Deutsche Telekom AG 2014–2018. Chief Financial Officer of Deutsche Telekom's German operations 2010–2014. Various operational positions (sales, marketing, customer care, finance and procurement in fixed and mobile business, national and international positions) in Deutsche Telekom 1992–2010.

Chair of the Supervisory Board of CECONOMY AG and member of the Board of Advisors at axxessio GmbH.

Member of the Board of Directors of T-Mobile US 2013–2018 and Buy-In 2013–2018. Chair of the Board of Directors of T-Systems International 2013–2018 and EE 2014–2016.

Jeanette Horan**b. 1955**

Nokia Board member since 2017. Member of the Audit Committee and the Technology Committee.

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

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

Member of the Supervisory Board at Wolters Kluwer, and the Chair of the Remuneration Committee. Member of the Board of Advisors at Jane Doe No More, a non-profit organization. Member of the Board of Directors of the Ridgefield Symphony Orchestra, a non-profit organization.

Member of the Board of Advisors of Cybereason 2017–2018. Member of the Board of Directors of West Corporation 2016–2017 and Microvision 2006–2017.

Edward Kozel**b. 1955**

Nokia Board member since 2017. Chair of the Technology Committee and member of the Audit Committee.

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

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

Member of the Advisory Board at Telia Ventures.

Various Board Memberships in 1999–2009.

Chair Sari Baldauf**Vice Chair Kari Stadigh****Bruce Brown****Thomas Dannenfeldt****Jeanette Horan****Edward Kozel**

Elizabeth Nelson

b. 1960

Nokia Board member since 2012. Member of the Audit Committee and the Personnel Committee.

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

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

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

Chair of the Board of Directors of DAL. Independent Member of the Board of Directors and Chair of the Audit Committee of Upwork Inc.

Independent Member of the Board of Directors and Chair of the Audit Committee of Berkeley Lights, Inc.

Independent Lead Director and Chair of the Audit Committee of Zendesk Inc 2013–2019. Member of the Board of Directors of Pandora Media 2013–2017.

Søren Skou

b. 1964

CEO of A.P. Møller Mærsk A/S. Nokia Board member since 2019. Member of the Personnel Committee.

MBA (honours), IMD, Switzerland. Business Administration, Copenhagen Business School, Denmark. Maersk International Shipping Education (M.I.S.E.).

Maersk Line Copenhagen CEO 2012–2016. Maersk Tankers Copenhagen CEO 2001–2011. Maersk Tankers Copenhagen Head of Crude and Product 1999–2001. Maersk Line Copenhagen Head of Department 1997–1998. Maersk Line Beijing Operations Manager 1994–1996. Maersk Line Copenhagen and New Jersey, Charterer and other roles 1983–1994.

Member of International Council of Containership Operators (ICCO).

Carla Smits-Nusteling

b. 1966

Nokia Board member since 2016. Chair of the Audit Committee and member of the Corporate Governance and Nomination Committee.

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

Member of the Board of Directors and Chief Financial Officer of KPN 2009–2012. Various financial positions in KPN 2000–2009. Various financial and operational positions in TNT/PTT Post 1990–2000.

Member of the Supervisory Board since 2013 and Chair of the Audit Committee of ASML. Chair of the Board of Directors of TELE2 AB. Member of the Board of Directors, Chair of the Audit Committee and member of the Remuneration and Nomination Committee of Allegro.eu SA. Member of the Board of Directors of the Stichting Continuïteit Ahold Delhaize (SCAD) foundation. Lay Judge in the Enterprise Court of the Amsterdam Court of Appeal since 2015.

Member of the Management Board of the Unilever Trust Office 2015–2019.

Due to transitioning from one board to another, Carla Smits-Nusteling temporarily holds four audit committee positions in public companies, including Nokia. She recently joined the Board and Audit Committee of Allegro.eu SA while she will step down from the ASML Board and Audit Committee on April 29, 2021. As required under the NYSE corporate governance standards, the Board has determined that her ability to effectively serve on Nokia's Audit Committee is not impaired due to this short period of serving on more than three audit committees of listed companies.

Elizabeth Nelson



Søren Skou



Carla Smits-Nusteling



Operations of the Board of Directors

The Board represents and is accountable to the shareholders of Nokia. While its ultimate statutory accountability is to the shareholders, the Board also takes into account the interests of the Company's other stakeholders. The Board's responsibilities are active, not passive, and include the responsibility to evaluate the strategic direction of Nokia, its management policies and the effectiveness of the implementation of such by the management on a regular basis. It is the responsibility of the members of the Board to act in good faith and with due care, so as to exercise their business judgement on an informed basis, in a manner that they reasonably and honestly believe to be in the best interests of Nokia and its shareholders. In discharging that obligation, the members of the Board must inform themselves of all relevant information reasonably available to them. The Board and each Board Committee also have the power to appoint independent legal, financial or other advisors as they deem necessary. The Company will provide sufficient funding to the Board and to each Committee to exercise their functions and provide compensation for the services of their advisors.

The Board is ultimately responsible for monitoring and reviewing Nokia's financial reporting process, effectiveness of related control and audit functions and the independence of Nokia's external auditor, as well as for monitoring the statutory audit of the annual and consolidated financial statements. The Board's responsibilities also include overseeing the structure and composition of our top management and monitoring legal compliance and the management of risks related to our operations. In doing so, the Board may set annual ranges and/or individual limits for capital expenditures, investments and divestitures and financial and non-financial

commitments that may not be exceeded without a separate Board approval.

In risk management policies and processes, the Board's role includes risk analysis and assessment in connection with financial, strategy and business reviews, updates and decision-making proposals. Risk management policies and processes are integral parts of Board deliberations and risk-related updates are provided to the Board on a recurring basis. For a more detailed description of our risk management policies and processes, refer to "—Risk management, internal control and internal audit functions at Nokia—Main features of risk management systems" below.

Under our Corporate Governance Guidelines, the Board monitors the sustainability activities of the company, covering variety of environmental and social matters, and it periodically reviews the company's related targets and performance. The Group Leadership Team decides on the environmental and social approach and key targets, and the key targets are incorporated into the ongoing performance management and related monthly business reviews of the business groups by the Group Leadership Team. In addition, the Board Committees monitor environmental and social developments in their respective areas of responsibilities, which in 2020 included for the Audit Committee the implementation planning of climate related financial reporting and reviewing the use of conflict minerals in the company's products, Personnel Committee the incorporation of environmental and social targets in the incentive structures, and Corporate Governance and Nomination Committee the assessment of the environmental, social and governance (ESG) related governance trends. The business groups and other units are responsible for the implementation the ESG policies and instructions to their operations.

The Board has the responsibility for appointing and discharging the President, the Chief Executive Officer, Chief Financial Officer and Chief Legal Officer. Since August 2020, Pekka Lundmark has served as the President and CEO. His rights and responsibilities include those allotted to the President under Finnish law and he also chairs the Group Leadership Team.

The Board approves and the independent directors of the Board confirm the compensation and terms of employment of the President and CEO, subject to the requirements of Finnish law, upon the recommendation of the Personnel Committee of the Board. The compensation and employment conditions of the other members of the Group Leadership Team are approved by the Personnel Committee upon the recommendation of the President and CEO.

Board evaluation

In line with our Corporate Governance Guidelines, the Board conducts an annual performance evaluation, which also includes evaluation of the Board Committees' work, the Board and Committee Chairs and individual Board members. The Board evaluation is conducted as a self-evaluation while an external evaluator is periodically engaged. In 2020, the evaluation process included both numeric assessments and the possibility to provide more detailed written and verbal comments. Feedback is also requested from selected members of management as part of the Board evaluation process. Each year, the results of the evaluation are discussed and analyzed by the entire Board and improvement actions are agreed based on such discussion.

Meetings of the Board of Directors

The Board held 20 meetings excluding Committee meetings during 2020, of which approximately 60% were meetings in person/by video. In 2020, these meetings were mainly conducted by access via video as a consequence of travel restrictions in place due to the COVID-19 pandemic. The other meetings were held in writing.

	Meetings in person/ by video	Meetings in writing	Attendance in all meetings %
Full Board	12	8	100
Audit Committee	6	0	93
Corporate Governance and Nomination Committee	3	1	100
Personnel Committee	6	2	98
Technology Committee	4	0	100

Directors' attendance at the Board and Committee meetings in 2020 is set forth in the table below:

	Board meetings %	Audit Committee meetings %	Corporate Governance and Nomination Committee meetings %	Personnel Committee meetings %	Technology Committee meetings %
Sari Baldauf (Board Chair)	100		100	100	100
Kari Stadigh (Board Vice Chair)	100		100	100	
Bruce Brown	100		100	100	100
Thomas Dannenfeldt (from May 27, 2020)	100	100			100
Jeanette Horan	100	100			100
Edward Kozel	100	83			100
Elizabeth Nelson	100	100		88	
Olivier Piou (until May 27, 2020)	100	67			100
Risto Siilasmaa (until May 27, 2020)	100		100		100
Søren Skou	100			100	
Carla Smits-Nusteling	100	100	100		

Additionally, many of the directors attended, as non-voting observers, meetings of a Committee of which they were not a member.

Directors meet without management in connection with each regularly scheduled meeting. According to Board practices, meetings without management present would only be attended by non-executive directors and be chaired by the non-executive Chair of the Board. If the non-executive Chair of the Board is unable to chair these meetings, the non-executive Vice Chair of the Board chairs the meeting. Additionally, the independent directors would meet separately at least once annually. In 2020, all members of the Board were non-executive and

determined to be independent from Nokia and significant shareholders under the Finnish corporate governance standards and the rules of the NYSE.

In order to prevent the spread of the COVID-19 pandemic, the Board of Directors resolved pursuant to the temporary legislation approved by the Finnish Parliament on April 24, 2020 to hold the Annual General Meeting 2020 without the presence of shareholders, their proxy advisors, the Board and the management. Only the Chair of the

Board Risto Siilasmaa was present in person to open the meeting.

Committees of the Board of Directors

The Board of Directors has four committees that assist the Board in its duties pursuant to their respective committee charters. The Board may also establish ad hoc committees for detailed reviews or consideration of particular topics to be proposed for the approval of the Board. Any director who so wishes may attend, as a non-voting observer, meetings of committees of which they are not members.

Board of Directors

Audit Committee	Corporate Governance and Nomination Committee	Personnel Committee	Technology Committee
Oversees the accounting and financial reporting processes of Nokia and the audits of its financial statements as well as the internal controls and compliance program.	Prepares the proposals for the general meetings in respect of the composition of the Board and the director remuneration to be approved by the shareholders, and monitors issues and practices related to corporate governance and proposes necessary actions in respect thereof.	Oversees the personnel-related policies and practices at Nokia. Assists the Board in discharging its responsibilities in relation to all compensation, including equity compensation, of the company's executives and their terms of employment.	Engages in a dialogue with and provides opinions and advice to management with respect to significant innovation and technology strategies of the company which are formulated and executed by the management of the company.

The Audit Committee

The Committee consists of a minimum of three members of the Board who meet all applicable independence, financial literacy and other requirements as stipulated by Finnish law and the rules of Nasdaq Helsinki and the NYSE. From May 27, 2020, the Audit Committee has consisted of the following five members of the Board: Carla Smits-Nusteling (Chair), Thomas Dannenfeldt, Jeanette Horan, Edward Kozel and Elizabeth Nelson.

The Committee is responsible for assisting the Board in the oversight of:

- the quality and integrity of the company's financial statements and related disclosures;
- the statutory audit of the company's financial statements;
- the external auditor's qualifications and independence;
- the performance of the external auditor subject to the requirements of Finnish law;

- the performance of the company's internal controls and risk management and assurance function;
- the performance of the internal audit function;
- the Company's compliance with legal and regulatory requirements, including the performance of its ethics and compliance program; and
- the pension liabilities, taxation and cybersecurity of the company.

In discharging its oversight role, the Audit Committee has full access to all company books, records, facilities and personnel. The Audit Committee also maintains procedures for the receipt, retention and treatment of complaints received by the company regarding accounting, internal controls, or auditing matters and for the confidential, anonymous submission by our employees of concerns relating to accounting or auditing matters. Nokia's disclosure controls and procedures, which are reviewed by the Audit Committee and approved by the President and CEO and the Chief Financial Officer, as well as the internal controls over financial reporting, are designed to provide reasonable assurance regarding the quality and integrity of the company's financial statements and related disclosures. For further information on internal control over financial reporting, refer to "Risk management, internal control and internal audit functions at Nokia-Description of internal control procedures in relation to the financial reporting process" below.

Under Finnish law, an external auditor is elected by a simple majority vote of the shareholders at the Annual General Meeting for one year at a time. The Audit Committee prepares the proposal to the shareholders, upon its evaluation of the qualifications and independence of the external auditor, of the nominee for election or re-election. Under Finnish law, the fees of the external auditor are also approved by the shareholders by a simple majority vote at the Annual General Meeting. The Committee prepares the proposal to the shareholders in respect of the fees of the external auditor, and approves the external auditor's annual audit fees under the guidance given by the Annual General Meeting. For information about the fees paid to Nokia's external auditor, Deloitte Oy, during 2020, refer to "Auditor fees and services" below.

The Board has determined that all members of the Audit Committee, including its Chair, Carla Smits-Nusteling, are "audit committee financial experts" as defined in the requirements of Item 16A of the Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission (SEC). Ms. Smits-Nusteling and each of the other members of the Audit Committee are "independent directors" as defined by Finnish law and Finnish Corporate Governance Code and in Section 303A.02 of the NYSE Listed Company Manual.

The Audit Committee meets a minimum of four times a year based on a schedule established at the first meeting following the appointment of the Committee. The Committee meets separately with the representatives of Nokia's management, heads of the internal audit, and ethics and compliance functions, and the external auditor in connection with each regularly scheduled meeting. The head of the internal audit function has, at all times, direct access to the Audit Committee, without the involvement of management.

Audit Committee pre-approval policies and procedures

The Audit Committee of the Board is responsible, among other matters, for oversight of the external auditor's independence, subject to the requirements of applicable legislation. The Audit Committee has adopted a policy regarding an approval procedure of audit services performed by the external auditors of Nokia Group and permissible non-audit services performed by the principal external auditor of the Nokia Group (the "Pre-approval Policy").

Under the Pre-approval Policy, proposed services either: (i) may be pre-approved by the Audit Committee in accordance with certain service categories described in the Pre-approval Policy (general pre-approval); or (ii) require the specific pre-approval of the Audit Committee (specific pre-approval). The Pre-approval Policy sets out the audit, audit-related, tax and other services that have received the general pre-approval of the Audit Committee. All other audit, audit-related (including services related to internal controls and significant mergers and acquisitions projects), tax and other services are subject to specific pre-approval by the Audit Committee. All service requests concerning generally pre-approved services will be submitted to an appointed Audit Committee delegate within management, who will determine whether the services are within the services generally pre-approved. The Pre-approval Policy is subject to annual review by the Audit Committee.

The Audit Committee establishes budgeted fee levels annually for each of the categories of audit and non-audit services that are pre-approved under the Pre-approval Policy, namely, audit, audit-related, tax and other services. At each regular meeting of the Audit Committee, the auditor provides a report in order for the Audit Committee to review the services that the auditor is providing, as well as the cost of those services.

The Corporate Governance and Nomination Committee

The Committee consists of three to five members of the Board who meet all applicable independence requirements as stipulated by Finnish law and the rules of Nasdaq Helsinki and the NYSE. From May 27, 2020 the Corporate Governance and Nomination Committee has consisted of the following four members of the Board: Kari Stadigh (Chair), Sari Baldauf, Bruce Brown and Carla Smits-Nusteling.

The Committee fulfills its responsibilities by:

- actively identifying individuals qualified to be elected members of the Board as well as considering and evaluating the appropriate level and structure of director remuneration;
- preparing and evaluating the principles regarding Board diversity;
- preparing proposals to the shareholders on the director nominees for election at the general meetings as well as director remuneration;
- monitoring significant developments in the law and practice of corporate governance and of the duties and responsibilities of directors of public companies;
- assisting the Board and each Committee of the Board in its annual performance evaluations, including establishing criteria to be applied in connection with such evaluations;
- developing and recommending to the Board and administering Nokia's Corporate Governance Guidelines; and
- reviewing Nokia's disclosure in the corporate governance statement.

The Committee has the power and practice to appoint a recruitment firm to identify appropriate new director candidates.

The Personnel Committee

The Committee consists of a minimum of three members of the Board who meet all applicable independence requirements as stipulated by Finnish law and the rules of Nasdaq Helsinki and the NYSE. From May 27, 2020 the Personnel Committee has consisted of the following four members of the Board: Bruce Brown (Chair), Elizabeth Nelson, Søren Skou and Kari Stadigh.

The Committee has overall responsibility for evaluating, resolving and making recommendations to the Board regarding:

- compensation of the company's top executives and their terms of employment;
- all equity-based plans;
- incentive compensation plans, policies and programs of the company affecting executives; and
- other significant incentive plans.

The Committee is responsible for overseeing compensation philosophy and principles and ensuring the Company's compensation programs are performance-based, and designed to contribute to long-term shareholder value creation and alignment to shareholders' interests, properly motivate management, and support overall corporate strategies.

The Technology Committee

The Committee consists of a minimum of three members of the Board who meet applicable independence requirements as stipulated by Finnish law and the rules of Nasdaq Helsinki and the NYSE and have such skills in innovation, technology and science matters as the Board determines adequate from time to time. From May 27, 2020 the Technology Committee has consisted of the following five members of the Board: Edward Kozel (Chair), Sari Baldauf, Bruce Brown, Thomas Dannenfeldt and Jeanette Horan.

In its dialogue with and provision of opinions and advice to the management, the Committee will periodically review:

- the company's approach to major technological innovations;
- key technology trends that may result in disruptive threats or opportunities;

- high-level risks and opportunities associated with the company's Research and Development Programs; and
- the company's technological competitiveness and new strategic technology initiatives.

Group Leadership Team and the President and CEO

We have a Group Leadership Team that is responsible for the operative management of Nokia. The Board appoints the Chair of the Group Leadership team. The Group Leadership Team is chaired by the President and CEO. The President and CEO's rights and responsibilities include those allotted to the President under Finnish law.

On December 31, 2020, the Group Leadership Team consisted of 17 members representing nine different nationalities and 24% of the members were female. On October 29, 2020, we announced changes to our operating model and resulting appointments to the Group Leadership Team taking effect on January 1, 2021. At present, our Group Leadership Team consists of 10 members, including the President and CEO, representing seven different nationalities and 20% of the members are female.

Name	Position	Gender	Year of birth	Nationality	On GLT since	On GLT on January 1, 2021
Pekka Lundmark	President and CEO	Male	1963	Finnish	2020	Yes
Nassib Abou-Khalil	Chief Legal Officer	Male	1972	Dutch	2019	Yes
Basil Alwan	Co-president of IP/Optical Networks	Male	1962	American	2016	–
Nishant Batra	Chief Strategy and Technology Officer	Male	1978	Indian	2021	–
Ricky Corker	President of Customer Operations, Americas ⁽¹⁾	Male	1967	Australian	2019	Yes
Barry French	Chief Marketing Officer	Male	1963	American	2016	–
Sanjay Goel	President of Global Services	Male	1967	Indian	2018	–
Bhaskar Gorti	President of Nokia Software	Male	1966	American	2016	–
Federico Guillén	President of Customer Operations Officer, EMEA & APAC ⁽²⁾	Male	1963	Spanish	2016	Yes
Jenni Lukander	President of Nokia Technologies	Female	1974	Finnish	2019	Yes
Sandra Motley	President of Fixed Networks	Female	1959	American	2019	–
Sri Reddy	Co-president of IP/Optical Networks	Male	1964	American	2018	–
Raghav Sahgal	President of Nokia Enterprise ⁽³⁾	Male	1962	American	2020	Yes
Gabriela Styf Sjöman	Chief Strategy Officer	Female	1969	Swedish	2019	–
Tommi Uitto	President of Mobile Networks	Male	1969	Finnish	2019	Yes
Marcus Weldon	Chief Technology Officer and President of Bell Labs	Male	1968	British	2017	–
Stephanie Werner-Dietz	Chief Human Resources Officer	Female	1972	German	2020	Yes
Marco Wirén	Chief Financial Officer	Male	1966	Finnish	2020	Yes

(1) As of January 1, 2021 Chief Customer Experience Officer

(2) As of January 1, 2021 President of Network Infrastructure

(3) As of January 1, 2021 President of Cloud and Networks Services

Biographical details of the current members of the Nokia Group Leadership Team

Pekka Lundmark

b. 1963

President and Chief Executive Officer of Nokia Corporation as of August 1, 2020.

Master of Science, Department of Technical Physics, Helsinki University of Technology, Finland.

President and CEO, Fortum Corporation 2015–2020.

President and CEO, Konecranes Plc 2005–2015 and Group Executive Vice President 2004–2005. President and CEO, Hackman Oyj Abp 2002–2004. Managing Partner, Startupfactory 2000–2002. Various executive positions at Nokia 1990–2000.

Commissioner, Broadband Commission for Sustainable Development. Member of the Board, Climate Leadership Council. Member of the Board, Research Institute of the Finnish Economy (ETLA) and Finnish Business and Policy Forum (EVA). International Member of the Academy, Royal Swedish Academy of Engineering Sciences (IVA). Member of the Board, Finnish Athletics Federation.

Chairman of the Board, Confederation of Finnish Industries, 2019–2020. Member of the Board, East Office of Finnish Industries, 2009–2020. Chairman of the Board, Finnish Energy, 2016–2018.

Nassib Abou-Khalil

b. 1972

Chief Legal Officer (CLO). Group Leadership Team member since 2019. Joined Nokia in 2014.

Bachelor of Arts (Political Sciences), Civil Law (LL.L.), Common Law (LL.B.) and Master of Law (LL.M), University of Ottawa, Canada.

Deputy Chief Legal Officer, Business, Nokia 2019. General Counsel, Customer Operations, Nokia 2016–2019. Head of Legal & compliance, MEA, Nokia 2014–2015. Head of Public Policy, Europe, Middle East & Africa, and General Counsel, Middle East & Africa, Yahoo!, 2010–2014. Regional Counsel, Middle East & Africa and India, GE Oil & Gas, 2007–2010. Regulatory Counsel, Etisalat, 2006–2007. Various legal counsel roles, TMF Netherlands 2002–2006. Legal articling, Fasken Martineau 1999–2001.

Nishant Batra

b. 1978

Chief Strategy and Technology Officer (CSTO). Group Leadership Team member since 2021. Joined Nokia in 2021.

MBA from INSEAD. Master's degree in Telecommunications and a master's degree in Computer Science, Southern Methodist University, Dallas, US Bachelor's degree in Computer Applications, Devi Ahilya University, India.

Previously Executive Vice President and Chief Technology Officer, Veoneer, Inc. 2018–2021. Prior to Veoneer Inc. held several senior positions at Ericsson for 12 years in the US, Sweden and India.

Independent member of the Board of Directors, Sensys Gatso Group.

Ricky Corker

b. 1967

Chief Customer Experience Officer (CCXO). Group Leadership Team member since 2019. Joined Nokia in 1993.

Bachelor in Communications and Electronic Engineering from the Royal Melbourne Institute of Technology, Australia.

President of Customer Operations, Americas, Nokia, 2019–2020. Executive Vice President and President of North America, Nokia, 2011–2018. Head of Asia Pacific, Nokia Siemens Networks, 2009–2011. Head of Asia North Region, Nokia Siemens Networks, 2008–2009. Head of Hutchison Global Customer Business Team, Nokia Siemens Networks, 2007–2008. Vice President Asia Pacific, Nokia Networks, 2005–2007. Lead Sales Director Asia Pacific, Nokia Networks, 2004–2005. Account Director Telstra, Nokia Networks, 2002–2003. Account Director Vodafone Australia and New Zealand, and Sales Director Vodafone Asia Pacific Customer Business Team, Nokia Networks, 2001–2002. Commercial Director Global Accounts British Telecom, Nokia Networks, 2001. Senior sales and marketing positions at Nokia, 1993–2001.

Pekka Lundmark



Nassib Abou-Khalil



Nishant Batra



Ricky Corker



Federico Guillén

b. 1963

President of Network Infrastructure. Group Leadership Team member since 2016. Joined Nokia in 2016.

Degree in Telecommunications Engineering, ETSIT at Universidad Politécnica de Madrid, Spain. Master's degree in Switching & Communication Architectures, ETSIT at Universidad Politécnica de Madrid, Spain. Master's Degree in International Management, ESC Lyon and Alcatel, France.

President of Customer Operations, Europe, Middle East & Africa and Asia Pacific, Nokia, 2018–2020. President of Fixed Networks, Nokia, 2016–2018. President of Fixed Networks, Alcatel-Lucent, 2013–2016. President and Chief Senior Officer of Alcatel-Lucent Spain and Global Account Manager Telefónica, Alcatel-Lucent, 2009–2013. Vice President Sales of Vertical Market Sales in Western Europe, Alcatel-Lucent, 2009. Head of Regional Support Center, Fixed Access Division for South Europe, Middle East & Africa, India and Caribbean & Latin America, Alcatel-Lucent, 2007–2009. President and Chief Senior Officer, Alcatel Mexico and Global Account Manager, Telmex, 2003–2007. Various R&D, portfolio and sales management positions with Telettra in Spain, and then with Alcatel in Spain, Belgium and the United States 1989–2003.

Jenni Lukander

b. 1974

President of Nokia Technologies. Group Leadership Team member since 2019. Joined Nokia in 2007.

Master of Laws, University of Helsinki, Finland.

Senior Vice President, Head of Patent Business, Nokia 2018–2019. Vice President, Head of Patent Licensing, Nokia 2018. Vice President, Head of Litigation and Competition Law, Nokia 2016–2018. Director, Head of Regulatory and Competition Law, Nokia 2015–2016. Director, Head of Competition Law, Nokia 2011–2015. Senior Legal Counsel, Nokia 2007–2011. Visiting lawyer, Nokia, 2001. Lawyer, Roschier Ltd. 1999–2007.

Raghav Sahgal

b. 1962

President of Cloud and Network Services. Group Leadership Team member since 2020. Joined Nokia in 2017.

Master of Science in Computer Systems Management, University of Maryland, United States. Bachelor of Science in Computer Engineering, Tulane University, New Orleans, United States. Executive Business Certificate in General Management, Harvard University, United States.

President of Nokia Enterprise, 2020. Senior Vice President, Nokia Software, 2017–2020. President, NICE Ltd. Asia Pacific and the Middle East, 2010–2017. Advisory Board Member, Orga Systems, 2010–2014. Vice President, Communications Business Unit, Asia Pacific & Japan, Oracle, 2008–2010. Chief Business Officer, Comverse, 2005–2006. Executive Vice President, Asia Pacific, CSG, 2002–2005. Vice President, Software Products Group Asia Pacific, Lucent Technologies, 2000–2002.

Tommi Uitto

b. 1969

President of Mobile Networks. Group Leadership Team member since 2019. Joined Nokia in 1996.

Master's degree in industrial management, Helsinki University of Technology, Finland.

Master's degree in operations management, Michigan Technological University, the United States.

Senior Vice President, Global Product Sales, Mobile Networks, Nokia 2016–2018. Senior Vice President, Global Mobile Broadband Sales, Customer Operations, Nokia Networks, 2015–2016. Senior Vice President, West Europe, Customer Operations, Nokia Networks, 2013–2015. Head of Radio Cluster (Senior Vice President), Mobile Broadband, Nokia Siemens Networks, 2012–2013. Head of Global LTE Radio Access Business Line (Vice President) and Quality, Mobile Broadband, Nokia Siemens Networks, 2011–2012. Head of Product Management, Network Systems, Nokia Siemens Networks, 2010. Head of Product Management, Radio Access, Nokia Siemens Networks, 2009. Head of WCDMA/HSPA and Radio Platforms Product Management, Nokia Siemens Networks, 2008. Head of WCDMA/HSPA Product Line Management, Nokia Siemens Networks, 2007. General Manager, Radio Controller Product Management, Nokia Networks, 2005–2007. Director, Sales & Marketing (Lead Sales Director), France Telecom/Orange Nokia Networks, 2002–2005. Operations Director, Northeast Europe, Central & Eastern Europe and Middle East, Nokia Networks, 1999–2002.

Federico Guillén



Jenni Lukander



Raghav Sahgal



Tommi Uitto



Stephanie Werner-Dietz**Stephanie Werner-Dietz****b. 1972**

Chief People Officer (CPO). Group Leadership Team member since 2020. Joined Nokia in 1998.

Diploma in Applied business languages (Chinese) and International business studies, University of Applied Sciences, Bremen, Germany.

Vice President, Global HR Center of Expertise, Nokia, 2018–2019. Vice President, Business HR Head for Nokia Corporate Functions, Nokia, 2016–2018. Head of Business HR for Chief Finance and Operations Officer/Organization, Nokia, 2012–2015. Head of Nokia Siemens Networks Business Talent, Leadership & Organization Development, Nokia Siemens Networks, 2011–2012. Head of Business HR, Nokia Radio Access, 2007–2011. Head of HR Emerging Markets, Romania, Nokia, 2007. Senior HR Manager, Strategic Projects, US, Nokia, 2004–2006. HR Manager Global Platforms, Nokia, 2001–2004. HR Country Manager for the Philippines, Nokia, 1999–2001. HR Manager, Nokia Networks for Switzerland, Nokia, 1998–1999.

Marco Wirén**Marco Wirén****b. 1966**

Chief Financial Officer (CFO). Group Leadership Team member since 2020. Joined Nokia in 2020.

Master's degree in Business Administration, University of Uppsala. Studies in management and strategic leadership, including at Duke Business School, IMD, and Stockholm School of Economics.

President, Wärtsilä Energy and Executive Vice President, Wärtsilä Group, 2018–2020. Executive Vice President and CFO, Wärtsilä Group, 2013–2018. Executive Vice President and CFO, SSAB Group, 2008–2013. Vice President, Business Control, SSAB Group, 2007–2008. CFO, Eltel Networks, 2006–2007. Vice President of Business development, Eltel Networks, 2004–2005. Head of Service Division, Eltel Networks, 2003–2004. Vice President, Corporate Development, Eltel Networks, 2002–2003. Vice President, Strategy & Business Development, NCC Group, 1999–2002. Head of Strategic Planning, NCC Group, 1998–1999. Group Controller, NCC Group, 1996–1998.

Vice Chair of the Board of Directors and Chair of the Audit Committee, Neste Corporation.

Summary of changes in the Group Leadership Team in 2020 and thereafter

During 2020 and thereafter, the following new appointments were made to the Group Leadership Team:

- Stephanie Werner-Dietz, Chief Human Resources Officer, as of January 1, 2020;
- Raghav Sahgal, President of Nokia Enterprise, as of June 1, 2020;
- Pekka Lundmark, President and CEO and Chair of the Group Leadership Team, as of August 1, 2020;
- Marco Wirén, Chief Financial Officer, as of September 1, 2020;
- Nishant Batra, Chief Strategy and Technology Officer, as of January 18, 2021.

During 2020, the following members of the Group Leadership Team stepped down from the Group Leadership Team:

- Kathrin Buvac, President of Nokia Enterprise, as of May 31, 2020;
- Rajeev Suri, President and CEO and the Chair of the Group Leadership Team, as of July 31, 2020;
- Kristian Pullola, Chief Financial Officer, as of August 31, 2020;
- Basil Alwan, Co-president of IP/Optical Networks, as of December 31, 2020;
- Barry French, Chief Marketing Officer, as of December 31, 2020;
- Sanjay Goel, President of Global Services, as of December 31, 2020;
- Bhaskar Gorti, President of Nokia Software, as of December 31, 2020;
- Sandra Motley, President of Fixed Networks, as of December 31, 2020;
- Sri Reddy, Co-president of IP/Optical Networks, as of December 31, 2020;
- Gabriela Styf Sjöman, Chief Strategy Officer, as of December 31, 2020; and
- Marcus Weldon, Chief Technology Officer and President of Bell Labs, as of December 31, 2020.

Furthermore, the following changes took place within the Group Leadership Team:

- Ricky Corker, President of Customer Operations, Americas, was appointed Chief Customer Experience Officer as of January 1, 2021;
- Federico Guillén, President of Customer Operations, EMEA & APAC, was appointed President of Network Infrastructure as of January 1, 2021; and
- Raghav Sahgal, President of Nokia Enterprise, was appointed President of Cloud and Network Services as of January 1, 2021.

Risk management, internal control and internal audit functions at Nokia

Main features of risk management systems

We have a systematic and structured approach to risk management. Key risks and opportunities are primarily identified against business targets either in business operations or as an integral part of strategy and financial planning. Risk management covers strategic, operational, financial, compliance and hazard risks. Key risks and opportunities are analyzed, managed and monitored as part of business performance management with the support of risk management personnel and the centralized Enterprise Risk Management function.

The principles documented in the Nokia Enterprise Risk Management Policy, which is approved by the Audit Committee of the Board, require risk management and its elements to be integrated into key processes. One of the core principles is that the business or function head is also the risk owner, although all employees are responsible for identifying, analyzing and managing risks, as appropriate, given their roles and duties. Our overall risk management concept is based on managing the key risks that would prevent us from meeting our objectives, rather than solely focusing on eliminating risks. In addition to the principles defined in the Nokia Enterprise Risk Management Policy, other key policies reflect implementation of specific aspects of risk management.

Key risks and opportunities are reviewed by the Group Leadership Team and the Board in order to create visibility on business risks as well as to enable prioritization of risk management activities. Overseeing risk is an integral part of the Board's deliberations. The Board's Audit Committee is responsible for, among other matters, risk management relating to the financial reporting process and assisting the Board's oversight of the risk management function. The Board's role

in overseeing risk includes risk analysis and assessment in connection with financial, strategy and business reviews, updates and decision-making proposals.

Description of internal control procedures in relation to the financial reporting process

The management is responsible for establishing and maintaining adequate internal control over financial reporting for Nokia. Our internal control over financial reporting is designed to provide reasonable assurance to the management and the Board regarding the reliability of financial reporting and the preparation and fair presentation of published financial statements.

The management conducts a yearly assessment of Nokia's internal controls over financial reporting in accordance with the Committee of Sponsoring Organizations framework (the "COSO framework", 2013) and the Control Objectives for Information and Related Technology (COBIT) framework of internal controls. The assessment is performed based on a top-down risk assessment of our financial statements covering significant accounts, processes and locations, corporate-level controls and information systems' general controls.

As part of its assessment, the management has documented:

- the corporate-level controls, which create the "tone from the top" containing the Nokia values and Code of Conduct and which provide discipline and structure to decision-making processes and ways of working. Selected items from our operational mode and governance principles are separately documented as corporate-level controls;
- the significant processes: (i) give a complete end-to-end view of all financial processes; (ii) identify key control points; (iii) identify involved organizations; (iv) ensure coverage for important accounts and financial statement assertions; and (v) enable internal control management within Nokia;
- the control activities, which consist of policies and procedures to ensure the management's directives are carried out and the related documentation is stored according to our document retention practices and local statutory requirements; and
- the information systems' general controls to ensure that sufficient IT general controls, including change management, system development and computer operations, as well as access and authorizations, are in place.

Further, the management has also:

- assessed the design of the controls in place aimed at mitigating the financial reporting risks;
- tested operating effectiveness of all key controls; and
- evaluated all noted deficiencies in internal controls over financial reporting in the interim and as of year-end.

In 2020, Nokia has followed the procedures as described above and has reported on the progress and assessments to the management and to the Audit Committee of the Board on a quarterly basis.

Description of the organization of the internal audit function

We also have an internal audit function that acts as an independent appraisal function by examining and evaluating the adequacy and effectiveness of our system of internal control. Internal audit reports to the Audit Committee of the Board. The head of the internal audit function has direct access to the Audit Committee, without involvement of the management. The internal audit staffing levels and annual budget are approved by the Audit Committee. All authority of the internal audit function is derived from the Board. The internal audit aligns to the business regionally and by business and function.

Annually, an internal audit plan is developed with input from the management, including key business risks and external factors. This plan is approved by the Audit Committee. Audits are completed across the business focused on site level, customer level, business project level, IT system implementation, IT security, operations activities or at a Group function level. The results of each audit are reported to the management identifying issues, financial impact, if any, and the correcting actions to be completed. Quarterly, the internal audit function communicates the progress of the internal audit plan completion, including the results of the closed audits, to the Audit Committee.

Internal audit also works closely with our Ethics and Compliance office to review any financial concerns brought to light from various channels and, where relevant, works with Enterprise Risk Management to ensure priority risk areas are reviewed through audits.

In 2020, the internal audit plan was completed and all results of these reviews were reported to the management and to the Audit Committee.

Related party transactions

We determine and monitor related parties in accordance with the International Accounting Standards (IAS 24) and other applicable regulations. We maintain information of our related parties as well as monitor and assess related party transactions. As a main principle, all transactions are conducted at arm's-length and are considered to be part of the ordinary course of business. In an exceptional case where these principles would be deviated from, the company would set up a separate process to determine related parties and seek relevant approvals in accordance with internal guidelines and applicable regulations.

Main procedures relating to insider administration

Our insider administration is organized according to the applicable European Union and Finnish laws and regulations. In addition, the Board of Directors has approved the Nokia Insider Policy, which sets out Nokia-wide rules and practices to ensure full compliance with applicable rules and that inside information is recognized and treated in an appropriate manner and with the highest integrity. The Nokia Insider Policy is applicable to all directors, executives and employees of the company.

Persons discharging managerial responsibilities

Nokia has identified members of the Board of Directors and the Group Leadership Team as persons discharging managerial responsibilities who, along with persons closely associated with them, are required to notify Nokia and the Finnish Financial Supervisory Authority of their transactions with Nokia's financial instruments. Nokia publishes the transaction notifications.

In addition, under the Nokia Insider Policy, persons discharging managerial responsibilities are obligated to clear with the Deputy Chief Legal Officer, Corporate, a planned transaction in Nokia's financial instruments in advance. It is also recommended that trading and other transactions in Nokia's financial instruments are carried out in times when the information available to the market is as complete as possible.

Closed window

Persons discharging managerial responsibilities are subject to a closed window period of 30 calendar days preceding the disclosure of Nokia's quarterly or annual result announcements, as well as the day of the disclosure. During the closed window period, persons discharging managerial responsibilities are prohibited from dealing in Nokia's financial instruments.

Nokia has imposed this closed window period also on separately designated financial reporting persons who are recurrently involved with the preparation of Nokia's quarterly and annual results announcements. These persons are separately notified of their status as designated financial reporting persons.

Insider registers

Nokia does not maintain a permanent insider register. Insiders are identified on a case-by-case basis for specific projects and are notified of their insider status. Persons included in a project-specific insider register are prohibited from dealing in Nokia's financial instruments until the project ends or is made public.

Supervision

Our insider administration's responsibilities include internal communications related to insider matters and trading restrictions, setting up and maintaining our insider registers, arranging related trainings as well as organizing and overseeing compliance with the insider rules.

Violations of the Nokia Insider Policy must be reported to the Deputy Chief Legal Officer, Corporate. Nokia employees may also use channels stated in the Nokia Code of Conduct for reporting incidents involving alleged violations of the Nokia Insider Policy.

Share ownership of the Board of Directors and the Nokia Group Leadership Team

The following table sets forth the number of shares and American Depositary Shares (ADS) held by the members of the Board at December 31, 2020 when they held a total of 1 033 100 shares and ADSs in Nokia, which represented approximately 0.02% of our total shares and voting rights excluding shares held by Nokia Group.

Name	Shares ⁽¹⁾	ADSs ⁽¹⁾
Sari Baldauf (Board Chair)	163 220	
Kari Stadigh (Board Vice Chair)	308 190	
Bruce Brown		165 788
Thomas Dannenfeldt	30 299	
Jeanette Horan	60 630	
Edward Kozel		86 698
Elizabeth Nelson		107 860
Søren Skou	31 707	
Carla Smits-Nusteling	78 708	

(1) The number of shares or ADSs includes shares and ADSs received as director compensation as well as shares and ADSs acquired through other means. Stock options or other equity awards that are deemed as being beneficially owned under the applicable SEC rules are not included.

The following table sets forth the number of shares and ADSs held by the President and CEO and the other members of the Group Leadership Team in office at December 31, 2020 when they held a total of 3 446 939 shares and ADSs in Nokia, which represented approximately 0.06% of our total shares and voting rights excluding shares held by Nokia Group.

Name	Position in 2020	Shares ⁽¹⁾	ADSs ⁽¹⁾
Pekka Lundmark	President and CEO	788 850	
Nassib Abou-Khalil	Chief Legal Officer	40 204	
Basil Alwan	Co-president of IP/Optical Networks	206 333	81 000
Ricky Corker	President of Customer Operations, Americas	193 021	
Barry French	Chief Marketing Officer	319 006	
Sanjay Goel	President of Global Services	130 784	
Bhaskar Gorti	President of Nokia Software	472 273	
Federico Guillén	President of Customer Operations Officer, EMEA & APAC	214 201	
Jenni Lukander	President of Nokia Technologies	9 767	
Sandra Motley	President of Fixed Networks	23 092	
Sri Reddy	Co-president of IP/Optical Networks	398 814	100 000
Raghav Sahgal	President of Nokia Enterprise	245 357	
Gabriela Styf Sjöman	Chief Strategy Officer	4 000	
Tommi Uitto	President of Mobile Networks	47 451	
Marcus Weldon	Chief Technology Officer and President of Bell Labs	77 482	
Stephanie Werner-Dietz	Chief Human Resources Officer	17 304	
Marco Wirén	Chief Financial Officer	78 000	

(1) The number of shares or ADSs includes shares and ADSs received as compensation as well as shares and ADSs acquired through other means. Stock options or other equity awards that are deemed as being beneficially owned under the applicable SEC rules are not included.

Auditor fees and services

Deloitte Oy served as our auditor for the period ending December 31, 2020 and PricewaterhouseCoopers Oy for the period from January 1 to December 31, 2019. The auditor is elected annually by our shareholders at the Annual General Meeting for the financial year commencing next after the election. The Audit Committee of the Board prepares the proposal to the shareholders in respect of the appointment of the auditor based upon its evaluation of the qualifications and independence of the auditor to be proposed for election or re-election on an annual basis.

The following table presents fees by type paid to Deloitte's (2020) and PricewaterhouseCoopers' (2019) network of firms for the years ended December 31:

EURm	2020	2019
Audit fees ⁽¹⁾	22.3	22.7
Audit-related fees ⁽²⁾	0.4	1.2
Tax fees ⁽³⁾	0.6	1.9
All other fees ⁽⁴⁾	1.6	–
Total	24.9	25.8

(1) Audit fees consist of fees incurred for the annual audit of the Group's consolidated financial statements and the statutory financial statements of the Group's subsidiaries.

(2) Audit-related fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Group's financial statements or that are traditionally performed by the independent auditor, and include consultations concerning financial accounting and reporting standards; advice and assistance in connection with local statutory accounting requirements; due diligence related to mergers and acquisitions; and audit procedures in connection with investigations in the pre-litigation phase and compliance programs. They also include fees billed for other audit services, which are those services that only the independent auditor can reasonably provide, and include the provision of comfort letters and consents in connection with statutory and regulatory filings and the review of documents filed with the SEC and other capital markets or local financial reporting regulatory bodies.

(3) Tax fees include fees billed for: (i) services related to tax compliance including preparation and/or review of tax returns, preparation, review and/or filing of various certificates and forms and consultation regarding tax returns and assistance with revenue authority queries; compliance reviews, advice and assistance on other indirect taxes; and transaction cost analysis; (ii) service related to tax audits; (iii) services related to individual compliance (preparation of individual tax returns and registrations for employees (non-executives), assistance with applying visa, residency, work permits and tax status for expatriates); (iv) services related to technical guidance on tax matters; (v) services related to transfer pricing advice and assistance with tax clearances; and (vi) tax consultation and planning (advice on stock-based remuneration, local employer tax laws, social security laws, employment laws and compensation programs and tax implications on short-term international transfers).

(4) Other fees include fees billed for company establishments; liquidations; forensic accounting, data security, other consulting services and reference materials and services.