Nokia Corporation
Stock Exchange Release

Espoo, Finland - Nokia announced today that Nokia's Board of Directors has approved the Nokia Equity Program 2015. In line with previous years, the Nokia Equity Program 2015 includes the following equity instruments:

- An Employee Share Purchase Plan for Nokia employees in selected jurisdictions, entitling the eligible employees to contribute a part of their salary to purchase Nokia shares. After a 12-month holding period, Nokia will offer the employees one matching share for every two purchased shares that continue to be held by the employees as at the end of the holding period;

- Performance Shares, which are dependent on the achievement of independent performance criteria; and
- Restricted Shares, which are used on a highly limited basis and only in exceptional retention and recruitment circumstances.

Nokia Equity Program 2015

The Nokia Equity Program 2015 is designed to support the participants' focus and alignment with the company's strategy and long-term success. Nokia's use of the Performance Shares as the main long-term incentive vehicle is intended to effectively contribute to the long-term value creation and sustainability of the company and to align the interests of the employees with those of the shareholders. It is also designed to ensure that the overall equity-based compensation is based on performance, while also ensuring the recruitment and retention of talent vital to the future success of Nokia.

Restricted Shares will be granted on an even more limited basis than in 2014 and only for exceptional retention and recruitment purposes, now primarily aimed at US markets, to ensure Nokia is able to retain and recruit talent vital to the future success of the company. Since 2014, stock options have no longer been part of the Nokia Equity Programs.

Employee Share Purchase Plan

Under the Employee Share Purchase Plan, the eligible Nokia employees may elect to make monthly contributions from their salary to purchase Nokia shares. Participation in the plan is voluntary.

The annual limit which the participant can contribute to the plan will be between the minimum of EUR 60 and the maximum of the lower of (1) EUR 1 200 or (2) 10 per cent of a participant's annual gross base salary. Generally, the share purchases will be made at market value on pre-determined dates on a monthly basis during a 12-month period. In October 2016, Nokia will deliver one matching share for every two purchased shares that the participant still holds on July 31, 2016, which marks the end of the 2015 Employee Share Purchase Plan cycle. The aggregate maximum amount of contributions that employees can elect during the enrolment window for the plan cycle commencing in 2015 will be approximately EUR 30 million, which equals approximately 4 226 000 Nokia shares using the January 26, 2015 Nokia closing share price of EUR 7.10. Based on the matching ratio of one matching share for every two purchased shares, the number of matching shares would be approximately 2 113 000.

The Employee Share Purchase Plan is planned to be offered to Nokia employees in 46 countries for the plan cycle commencing in 2015. The savings period is intended to start in July 2015 and the first monthly purchases are planned to be made in August 2015.

Performance Shares
Under the 2015 Performance Share Plan, target pay-out will depend on whether independent performance criteria have been met by the end of the performance period. The performance criteria vary for different employee groups in accordance with the following:

For the Nokia Group employees (excluding HERE employees), the performance criteria are Nokia continuing operations Average Annual Non-IFRS Net Sales and Nokia continuing operations Average Annual Non-IFRS EPS (diluted).

For HERE employees, the performance criteria are Nokia continuing operations Average Annual Non-IFRS EPS (diluted), HERE Average Annual Non-IFRS Net Sales and HERE Average Annual Non-IFRS Operating Profit.

The 2015 Performance Share Plan has a two-year performance period (2015-2016) and a subsequent one-year restriction period. The number of Performance Shares to be settled after the restriction period will start at 25 per cent of the grant amount and any pay-out beyond this will be determined with reference to the financial performance during the two-year performance period. The grant under Performance Share Plan 2015 could result in an aggregate maximum pay-out of 32.22 million Nokia shares in the event that maximum performance against all the performance criteria is achieved.

Restricted Shares
The Restricted Shares under the Restricted Share Plan 2015 are divided into three tranches, each tranche consisting of one third of the Restricted Shares granted. The first tranche has a one-year restriction period, the second tranche a two-year restriction period, and the third tranche a three-year restriction period. The grant of Restricted Shares in 2015 could result in an aggregate maximum payout of 750 000 Nokia shares.

Employees covered by the Equity Program 2015
In accordance with the previous year's practice, the primary equity instruments for executive employees, as well as, directors below the executive level, are Performance Shares.

Nokia has decided to restrict the use of Restricted Shares so that shares under the Restricted Share Plan are granted only for exceptional retention and recruitment purposes, aimed primarily at US markets, to ensure Nokia is able to retain and recruit talent vital to the future success of the Group. The Restricted Shares will only be used in limited and exceptional circumstances.

Approximately 56 600 employees in 46 countries are planned to be offered the possibility to participate in the Employee Share Purchase Plan for the plan cycle commencing in 2015, provided that there are no local regulatory or administrative restraints in relation to the offer made under the plan.

Dilution effect
As of December 31, 2014, the aggregate maximum dilution effect of Nokia's currently outstanding equity programs, assuming that the Performance Shares would be delivered at maximum level, is approximately 1.37 per cent. The potential maximum effect of the Nokia Equity Program 2015 would additionally be approximately 0.96 per cent, assuming delivery at maximum level for Performance Shares and the delivery of matching shares against the maximum amount of contributions of approximately EUR 30 million under the Employee Share Purchase Plan.

Settlements under various Nokia equity plans
The performance period for the 2013 Performance Share Plan ended on December 31, 2014, and Nokia's performance over 2013 and 2014, assessed against the independent performance criteria set out in the plan rules, was above the threshold performance level for the plan. The settlement to the participants under the plan will take place after the restriction period ends on January 1, 2016.

To fulfill the company's obligations under the 2011 and 2012 Restricted Share Plans in respect of shares to be settled in 2015, Nokia's Board of Directors has resolved to issue without consideration a total amount of 1 530 000 Nokia shares (NOK1V) held by the company to settle its commitment to plan participants, who are all employees of the Nokia Group.

FORWARD-LOOKING STATEMENTS

It should be noted that Nokia and its businesses are exposed to various risks and uncertainties and certain statements herein that are not historical facts are forward-looking statements, including, without limitation, those regarding: A) expectations, plans or benefits related to Nokia's strategies; B) expectations, plans or benefits related to future performance of Nokia's businesses Nokia Networks, HERE and Nokia Technologies; C) expectations, plans or benefits related to changes in our management and other leadership, operational structure and operating model; D) expectations regarding market developments, general economic conditions and structural changes; E) expectations and targets regarding performance, including those *related to market share, prices, net sales and margins; F) timing of the deliveries of our products and services; G) expectations and targets regarding our financial performance, operating expenses, taxes, cost savings and competitiveness, as well as results of operations; H) expectations and targets regarding collaboration and partnering arrangements; I) outcome of pending and threatened litigation, arbitration, disputes, regulatory proceedings or investigations by authorities; J) expectations regarding restructurings, investments, uses of proceeds from transactions, acquisitions and divestments and our ability to achieve the financial and operational targets set in connection with any such restructurings, investments, divestments and acquisitions, including any expectations, plans or benefits related to or caused by the transaction where Nokia sold substantially all of its Devices & Services business to Microsoft on April 25, 2014; K) statements preceded by or including "believe", "expect", "anticipate", "foresee", "sees", "target", "estimate", "designed", "aim", "plans", "intends", "focus", "continue", "project", "should", "will" or similar expressions. These statements are based on the management's best assumptions and beliefs in light of the information currently available to it. Because they involve risks and uncertainties, actual results may differ materially from the results that we currently expect. Factors, including risks and uncertainties that could cause such differences include, but are not limited to: 1) our ability to execute our strategies successfully and in a timely manner, and our ability to successfully adjust our operations and operating models; 2) our ability to sustain or improve the operational and financial performance of our businesses and correctly identify business opportunities or successfully pursue new business opportunities; 3) our ability to execute Nokia Networks' strategy and effectively, profitably and timely adapt its business and operations to the increasingly diverse needs of its customers and technological developments; 4) our ability within our Nokia Networks business to effectively and profitably invest in and timely introduce new competitive high-quality products, services, upgrades and technologies; 5) our ability to invent new relevant technologies, products and services, to develop and maintain our intellectual property portfolio and to maintain the existing sources of intellectual property related revenue and establish new such sources; 6) our ability to protect numerous patented standardized or proprietary technologies from third-party infringement or actions to invalidate the intellectual property rights (IPR) of these technologies; 7) our ability within our HERE business to maintain current sources of revenue, historically derived mainly from the automotive industry, create new sources of revenue, for instance in the enterprise business, successfully recognize and pursue growth opportunities and extend the reach of our location services; 8) our dependence on the development of the mobile and communications industry in numerous diverse markets, as well as on general economic conditions globally and regionally; 9) Nokia Networks' dependence on a limited number of customers and large, multi-year contracts; 10) our ability to retain, motivate, develop and recruit appropriately skilled employees; 11) the potential complex tax issues and obligations we may face, including the obligation to pay additional taxes in various jurisdictions and our actual or anticipated performance, among other factors, which could result in allowances related to deferred tax assets; 12) our ability to manage our manufacturing, service creation and delivery, and logistics efficiently and without interruption, especially if the limited number of suppliers we depend on fail to deliver sufficient quantities of fully functional products and components or deliver timely services; 13) any inefficiency, malfunction or disruption of a system or network that our operations rely on or any impact of a possible cybersecurity breach; 14) our ability to reach targeted results or improvements by managing and improving our financial performance, cost savings and competitiveness; 15) management of Nokia Networks' customer financing* *exposure; 16) the performance of the parties we partner and collaborate with, as well as financial counterparties, and our ability to achieve successful collaboration or partnering arrangements; 17) our ability to protect the technologies, which we develop, license, use or intend to use, from claims that we have infringed third parties' IPR, as well as impact of possible licensing costs, restriction on our usage of certain technologies, and litigation related to IPR; 18) the impact of regulatory, political or other developments, including those caused by the impact of trade sanctions, natural disasters or disease outbreaks on our operations and sales in those various countries or regions where we conduct business; 19) exchange rate fluctuations, particularly between the euro, which is our reporting currency, and the US dollar, the Japanese yen and the Chinese yuan, as well as certain other currencies; 20) effects of impairments or charges to carrying values of assets, including goodwill, or liabilities; 21) our ability to successfully implement planned transactions, such as acquisitions, divestments, mergers or joint ventures, manage unexpected liabilities related thereto and achieve the targeted benefits; 22) the impact of unfavorable outcome of litigation, arbitration, contract related disputes or allegations of health hazards associated with our business; 23) potential exposure to contingent liabilities due to the sale of substantially all of our Devices & Services business to Microsoft and possibility that the agreements we have entered into with Microsoft may have terms that prove to be unfavorable for us, as well as the risk factors specified on pages 12-35 of Nokia's annual report on Form 20-F for the year ended December 31, 2013 under Item 3D. "Risk Factors." Other unknown or unpredictable factors or underlying assumptions subsequently proven to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Nokia does not undertake any obligation to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent legally required.*

About Nokia
Nokia invests in technologies important in a world where billions of devices are connected. We are focused on three businesses: network infrastructure software, hardware and services, which we offer through Nokia Networks; location intelligence, which we provide through HERE; and advanced technology development and licensing, which we pursue through Nokia Technologies. Each of these businesses is a leader in its respective field.

** C.d.P.- NOKIA