

the voting deadline as well as the blocking deadline if any, as defined in the proxy material issued by the Depositary, a proxy with the following information: the name, address, and social security number or another corresponding personal identification number of the holder of the ADSs, the number of shares to be voted by the holder of the ADSs, and the voting instructions. The register of shareholders as of the record date of each general meeting is public until the end of the respective meeting.

As a further prerequisite for attending and voting at a general meeting, shareholders must give notice to Nokia of their intention to attend no later than the date and time specified by the Board of Directors in the notice of the meeting. By completing and returning the form of proxy provided by the Depositary, a holder of ADSs authorizes the Depositary to give this notice.

Each of our shares confers equal rights to share in our profits, and in any surplus in the event of our liquidation.

Under Finnish law, the rights of shareholders related to shares are as stated by law and in our articles of association. Amendment of the articles of association requires a decision of the general meeting, supported by two-thirds of the votes cast and two-thirds of the shares represented at the meeting.

#### *Disclosure of Shareholder Ownership*

According to the Finnish Securities Market Act of 1989, as amended, a shareholder shall disclose his ownership to the company and the Financial Supervision when it reaches, exceeds or goes below  $\frac{1}{20}$ ,  $\frac{1}{10}$ ,  $\frac{3}{20}$ ,  $\frac{1}{5}$ ,  $\frac{1}{4}$ ,  $\frac{1}{3}$ ,  $\frac{1}{2}$  or  $\frac{2}{3}$  of all the shares outstanding. The term "ownership" includes ownership by the shareholder, as well as selected related parties.

#### *Purchase Obligation*

Our articles of association require a shareholder that holds one-third or one-half of all of our shares to purchase the shares of all other shareholders that request that he do so, at a price generally based on the historical weighted average trading price of the shares. A shareholder of this magnitude also is obligated to purchase any subscription rights, stock options, warrants or convertible bonds issued by the company if so requested by the holder.

Under the Finnish Securities Market Act of 1989, as amended, a shareholder whose holding exceeds two-thirds of the total voting rights in a company shall, within one month, offer to purchase the remaining shares of the company, as well as any subscription rights, warrants, convertible bonds or stock options issued by the company. The purchase price shall be the market price of the securities in question. The market price is determined, among other things, on the basis of the average of the prices paid for the security in public trading during the preceding twelve months, and any higher price paid by the shareholder, as well as any other special circumstances.

Under the Finnish Companies Act of 1978, as amended, a shareholder whose holding exceeds nine-tenths of the total number of shares or voting rights in Nokia has both the right and the obligation to purchase all the shares of the minority shareholders for the current price. The current price is determined, among other things, on the basis of the recent market price of the shares. The purchase procedure under the Companies Act differs, and the purchase price may differ, from the purchase procedure and price under the Securities Market Act, as discussed above.

#### *Pre-Emptive Rights*

In connection with any offering of shares, the existing shareholders have a pre-emptive right to subscribe for shares offered in proportion to the amount of shares in their possession. However, a general meeting of shareholders may vote, by a majority of two-thirds of the votes cast and

two-thirds of the shares represented at the meeting, to waive this pre-emptive right provided that, from the company's perspective, important financial grounds exist.

Under the Act on the Control of Foreigners' Acquisition of Finnish Companies of 1992, clearance by the Ministry of Trade and Industry is required for a non-resident of Finland, directly or indirectly, to acquire one-third or more of the voting power of a company. The Ministry of Trade and Industry may refuse clearance where the acquisition would jeopardize important national interests, in which case the matter is referred to the Council of State. These clearance requirements are not applicable if, for instance, the voting power is acquired in an issuance of shares that is proportional to the holder's ownership of the shares. Moreover, the clearance requirements do not apply to residents of countries in the European Economic Area or countries that have ratified the Convention on the Organization for Economic Cooperation and Development.

### **10.C Material Contracts**

Nokia is not party to any material contract other than those entered into in the ordinary course of business.

### **10.D Exchange Controls**

There are currently no Finnish laws which may affect the import or export of capital, or the remittance of interest or other payments.

### **10.E Taxation**

#### ***General***

The taxation discussion set forth below is intended only as a descriptive summary and does not purport to be a complete analysis or listing of all potential tax effects relevant to ownership of our shares represented by ADSs.

The statements of United States and Finnish tax laws set out below are based on the laws in force as of the date of this Form 20-F and may be subject to any changes in US or Finnish law, and in any double taxation convention or treaty between the United States and Finland, occurring after that date.

For purposes of this summary, beneficial owners of ADSs that are considered residents of the United States for purposes of the current income tax convention between the United States and Finland, referred to as the "Treaty," and that are entitled to the benefits of the Treaty under the "Limitation on Benefits" provisions contained in the Treaty, are referred to as "US Holders." Beneficial owners that are citizens or residents of the United States, corporations created in or organized under US law, and estates or trusts (to the extent their income is subject to US tax either directly or in the hands of beneficiaries) generally will be considered to be residents of the United States under the Treaty. Special rules apply to US Holders that are also residents of Finland and to citizens or residents of the United States that do not maintain a substantial presence, permanent home, or habitual abode in the United States. For purposes of this discussion, it is assumed

that the Depositary and its custodian will perform all actions as required by the deposit agreement with the Depositary and other related agreements between the Depositary and Nokia.

If a partnership holds ADSSs, the tax treatment of a partner will depend upon the status of the partner and activities of the partnership. If a US holder is a partner in a partnership that holds ADSSs, the holder is urged to consult its own tax advisor regarding the specific tax consequences of owning and disposing of its ADSSs.

Because this summary is not exhaustive of all possible tax considerations—such as situations involving persons that are dealers or whose functional currency is not the US dollar, who may be

subject to special rules that are not discussed herein—holders of shares or ADSSs that are US Holders are advised to satisfy themselves as to the overall United States federal, state and local tax consequences, as well as to the overall Finnish and other applicable non-US tax consequences, of their ownership of ADSSs and the underlying shares by consulting their own tax advisors. This summary does not discuss the treatment of ADSSs that are held in connection with a permanent establishment or fixed base in Finland.

For the purposes of both the Treaty and the United States Internal Revenue Code of 1986, as amended, referred to as the Code, US Holders of ADSSs will be treated as the owners of the underlying shares that are represented by those ADSSs. The US federal income tax consequences to US Holders of ADSSs, as discussed below, apply as well to US Holders of shares.

The holders of ADSSs will, for Finnish tax purposes, be treated as the owners of the shares that are represented by the ADSSs. The Finnish tax consequences to the holders of shares, as discussed below, also apply to the holders of ADSSs.

#### ***Taxation of Cash Dividends***

For US federal income tax purposes, the gross amount of dividends paid to US Holders of ADSSs, including any related Finnish withholding tax, will be treated as ordinary income to the extent paid or deemed paid out of the current or accumulated earnings and profits of Nokia (as determined under US federal income tax principles). To the extent that an amount received by a US Holder exceeds the allocable share of current and accumulated earnings and profits of Nokia, such excess will be applied first, to reduce such US Holder's tax basis in his ADSSs and then, to the extent it exceeds the US holder's tax basis, it will constitute gain from a deemed sale or exchange of such ADSSs. Dividends will not be eligible for the dividends received deduction allowed to corporations under Section 243 of the Code. The amount includable in income (including any Finnish withholding tax) will equal the US dollar value of the payment, determined at the time such payment is received by the custodian, regardless of whether the payment is in fact converted into US dollars. Generally, any gain or loss resulting from currency exchange rate fluctuations during the period between the time such payment is received and the date the dividend payment is converted into US dollars will be treated as ordinary income or loss to such holder.

Under the Finnish Act on Taxation of Non-residents' Income and Wealth, non-residents of Finland are generally subject to a withholding tax at a rate of 29% payable on dividends paid by a company. However, pursuant to the Treaty, dividends paid to US Holders will generally be subject to Finnish withholding tax at a reduced rate of 15% of the gross amount of such dividend.

Subject to conditions and limitations, Finnish withholding taxes will be treated as foreign taxes eligible for credit against a US Holder's US federal income tax liability. Dividends received with respect to the ADSSs will generally constitute foreign source passive income for foreign tax credit purposes, but in some circumstances may constitute financial services income or general limitation basket income. In lieu of a credit, a US Holder of ADSSs may elect to deduct all of his foreign taxes.

Further, in accordance with the imputation system of taxation of dividends, the Finnish corporate income tax paid by a company can, in the case of a shareholder that is a resident of Finland and, therefore, liable for Finnish income tax, be credited against the Finnish income tax of the shareholder to the extent that it relates to the dividends distributed to the shareholder. However, the tax paid by a company cannot be credited against the Finnish income taxes, if any, of a US Holder.

#### ***Recent United States Tax Law Changes Applicable to Individuals***

Under 2003 US tax legislation, some US Holders (including individuals) are eligible for reduced rates of US federal income tax (currently a maximum of 15%) in respect of "qualified dividend income" received in taxable years beginning after December 31, 2002 and beginning before January 1, 2009. For this purpose, qualified dividend income generally includes dividends paid by non-US corporations if, among other things, (i) the shares with respect to which the dividend has been paid are readily tradable on an established securities market in the United States, or (ii) the non-US corporation is eligible for the benefits of a comprehensive US income tax treaty (such as the US-Finland income tax treaty) which provides for the exchange of information. We currently believe that dividends paid with respect to our shares and ADSSs will constitute qualified dividend income for US federal income tax purposes, however, this is a factual matter and is subject to change. Furthermore, some of the eligibility requirements for non-US corporations are not entirely clear and further guidance from the Internal Revenue Service is anticipated. In addition, the Internal Revenue Service is expected to issue certification procedures for 2004 whereby a non-US corporation will have to certify as to the eligibility of its dividends for the reduced US federal income tax rates.

#### ***Tax on Sale or Exchange***

A US Holder generally will recognize taxable gain or loss on the sale or exchange of ADSSs in an amount equal to the difference between the US dollar value of the amount realized and the adjusted tax basis (determined in US dollars) in the ADSSs. If the ADSSs are held as a capital asset, this gain or loss generally will be long-term capital gain or loss if, at the time of the sale or exchange, the ADSSs have been held for more than one year. Any capital gain or loss, for foreign tax credit purposes, generally will constitute US source gain or loss. In the case of a US Holder that is an individual, any capital gain generally will be subject to US federal income tax at preferential rates if specified minimum holding periods are met. The deductibility of capital losses is subject to significant limitations.

The sale by a US Holder of the ADSSs or the underlying shares, other than an individual that, by reason of his residence in Finland for a period exceeding six months, is or becomes liable for Finnish income tax according to the relevant provisions of Finnish tax law, generally will not be subject to income tax in Finland, in accordance with Finnish tax law and the Treaty.

#### ***Finnish Capital Taxes***