



2017 Benefits Information Session - Legacy Nokia Employees **Julie Liptak, Head – Americas HR; John Hickey, Vice President – Benefits** **September – October, 2016**

Agenda

- Objectives for the 2017 US Benefits Package
- Savings and Retirement
- Health and Welfare
- Time Off
- Voluntary “Added Benefits” Program
- 2017 Open Enrollment
- Other
- Severance Plan
- Resources

This presentation is for general informational purposes only. Every care has been taken to ensure that it is accurate. In the event of a conflict between this presentation and the terms of the official Plan documents, the official Plan documents will control.

Objectives for the 2017 US Benefits Package

Continue to Offer Comprehensive Benefits Package

- Maintain the competitiveness of our offerings in the external marketplace
- Fair and equitable to employees
- Offer choice and flexibility.

Be Cost Conscious

- Avoid added expense to employees & company.

Operational Efficiency

- Could be implemented efficiently by January 1, 2017
- Take advantage of simplification opportunities without compromising the other goals.

Savings and Retirement – Savings/401(k) Plan

- Effective January 1, 2017, the Nokia Solutions and Networks Savings Plan will be merged into the Alcatel-Lucent Savings/401(k) plan, which will be renamed the Nokia Savings/401(k) Plan.
- Aon Hewitt will become the recordkeeper of your savings/401(k) account, replacing Fidelity
 - Aon Hewitt currently maintains Alcatel-Lucent Savings/401(k) Plan's 35,000 participant accounts
 - Recordkeepers are not responsible for managing plan investments. They record investment transactions; update your account balance; process loans, withdrawals and distributions; send plan communications and manage the website and call center.
- There will be a new investment fund line-up. Each fund is managed by a professional investment manager hired and overseen by Nokia. Assets of the Plan are held in trust at Bank of New York Mellon.

Savings and Retirement – Savings/401(k) Plan – continued

- While the Nokia Savings/401(k) Plan will have many similar features to your current plan, there are some key changes effective January 1, 2017 for legacy Nokia employees:
 - Only your base salary will be counted for purposes of calculating your plan contributions. Other compensation paid to you (such as, if applicable, overtime, shift differentials, and bonuses) are not included
 - The process for making a catch-up election is different than under the current plan
 - Company matching contributions will be eliminated. However, eligible employees will automatically be enrolled in a defined benefit pension program, called the Cash Account Program (CAP) (described later in the presentation).

Savings and Retirement – Savings/401(k) Plan – continued

- By early November, employees will receive a detailed transition guide entitled “**Coming Soon: Your New Savings and Retirement Plans from Nokia.**” This guide will also be available on the Nokia Information Center website (described in the following slides).
- It is important that you read and understand the information in this guide
 - As part of the transition to the new Nokia Savings/401(k) Plan, there will be temporary “blackout periods” during which your ability to access information and conduct transactions in your current plan account will be suspended. These periods are described in the transition guide
 - Also as part of the transition, your investments and investment elections under the current Nokia savings plan will be mapped to investment funds or the brokerage feature in the new Nokia/Savings/401(k) plan. The mapping rules are set out in the transition guide
 - The guide also describes things you should consider, and actions you might wish to take, before the transition to the new plan begins
 - Finally, the guide contains an overview of the key features of the new plan, including other differences from your current plan.

Savings and Retirement – Savings/401(k) Plan – continued

Brokerage Accounts

- Self-directed brokerage accounts will continue to be offered
- Under the new plan, you will no longer be able to elect to invest your contributions directly from your paycheck to your self-directed brokerage account. Contributions must first be directed to one or more of the new Plan's investment funds, after which you can make transfers between the Plan's investment funds and your self-directed brokerage account
- You must maintain a minimum balance of \$500 in the Plan's investment funds. You cannot transfer money into your self-directed brokerage account if you have less than \$500 invested in the Plan's investment funds.

Savings and Retirement – Cash Account Program

- Eligible legacy Nokia employees will automatically become participants in the legacy Alcatel-Lucent Cash Account Program (CAP) as of January 1, 2017.
- Under CAP, eligible employees receive Pay Credits monthly, equal to 6% of their CAP-Includable Compensation paid to them during the preceding month. At the end of each month that you have a balance, your CAP Account will be credited with 0.3333% in interest. This equates to Interest Credits of 4% per annum.
- Nokia pays the entire cost of the CAP. Employees are not required (or permitted) to contribute to its costs.
- All pay and interest allocations are 100% vested when credited to your account.
- Pay credits continue for as long as you remain an eligible employee. Interest credits continue for as long as you have a CAP account balance.
- Upon termination of employment, CAP benefits can be distributed as a lump sum, or as a monthly annuity payment. Lump sum payments may be rolled over, taken as a direct payment, or a combination of both rollover and direct payment. (Any portion paid directly to the employee, is subject to tax withholding).
- The CAP is a defined benefit pension program. As such, benefits are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance program.
- There are no changes to the existing/frozen Nokia or Alcatel-Lucent pension plans. If you have earned a benefit under either plan, you will continue to retain your rights to those benefits. For information about legacy Nokia pension benefits, visit <http://pension.hewitt.com/nsn> or call 1-866-726-6646.

Savings and Retirement – CAP Example

How the CAP works ...

Assume you first become an Eligible Employee on January 1, 2017. Assume further that during 2017 you are paid an annual base salary of \$100,000 and that you remain an Eligible Employee throughout the year.

Pay Credit Effective Date	Pay Credit Amount	CAP Account Balance as of Pay Credit Effective Date	Interest Credit Amount	CAP Account Balance at Month End
February 1, 2017	\$500.00 ($\$100,000/12*6\%$)	\$500.00	\$1.67 ($\$500.00 * 0.3333\%$)	\$501.67 ($\$500.00 + \1.67)
March 1, 2017	\$500.00 ($\$100,000/12*6\%$)	\$1001.67 ($\$501.67 + 500.00$)	\$3.34 ($\$1,001.67 * 0.3333\%$)	\$1005.01 ($\$1001.67 + \3.34)

Your CAP Account will continue to grow each month with Pay Credits for as long as you remain an Eligible Employee. Your CAP Account will also continue to grow each month with Interest Credits provided you have not commenced payment of your CAP Benefit.

Note: The actual updating of accounts on the Your Benefits Resources (YBR)[™] website to reflect monthly Pay Credits typically occurs on the second Saturday of every month; for monthly Interest Credits, the actual updating of accounts occurs on the last day of each month. Despite the short delay in the posting of Pay Credits, all Pay Credits are treated as having been allocated on the first day of each month (and therefore interest is applied for the entire month).

Health and Welfare – Plan Eligibility

Dependents eligible for health and welfare benefits coverage include:

- Your spouse, including common-law spouse, regardless of gender.
- Your domestic or civil union partner, regardless of gender.
- Child(ren), up until the end of the month in which he/she attains age 26. For this purpose, child(ren) means:
 - Your biological child(ren) and also the biological child(ren) of your spouse, domestic partner or civil union partner
 - Your stepchild(ren) living with you
 - Your legally adopted child(ren), including those who are placed for adoption
 - Child(ren) for whom you or your spouse is appointed a legal guardian as defined by a court order (this does not include wards of the state or foster child(ren)); and
 - Child(ren) for whom you are required to provide coverage under a Qualified Medical Child Support Order (QMCSO).
- Child(ren) (defined above) beyond age 26 who is incapacitated, unmarried and certified by a medical Claims Administrator.

Note: Previously unverified dependents will be subject to the verification process

Health and Welfare – Plan Eligibility - continued

Part-Time Employees

- Employees working 20 hours or more per week are eligible for the same medical and dental coverage as full-time employees
- Employees working less than 20 hours per week pay 100% of the cost for medical and dental; other benefits, such as vacation, are pro-rated based on time worked.

Health and Welfare – Medical

- Transitioning to the legacy Alcatel-Lucent plan design
 - Choice of two UnitedHealthcare (UHC) Point of Service (POS) options: Enhanced and Standard.
 - Prescription drug coverage is provided through Express Scripts
 - Health Maintenance Organization (HMO) coverage is available in certain regions.
 - Elimination of the High Deductible Plan with a Health Savings Account (HSA) and the Low Bridge Plan with the Health Reimbursement Account (HRA)
 - HSA accounts are owned indefinitely by the employee
 - HRA balances can be used for eligible expenses in the POS options, but must be exhausted by December 31, 2019.
 - Simplified pricing with lower monthly costs for comparable plan options
 - Including the elimination of spousal and tobacco surcharges.
 - Vitality wellness program being replaced by UnitedHealthcare Rally
 - Vitality Bucks must be used by December 31, 2016.
 - New Benefit: Coverage for Applied Behavior Analysis (ABA) Therapy for eligible dependents age 11 and under with a primary diagnosis of autism spectrum disorder.
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Health and Welfare – Flexible Spending Accounts (FSAs)

You must enroll for the FSAs during Open Enrollment to participate in 2017

Health Care Flexible Spending Account (HFSA) administered by Aon Hewitt

- Annual contributions: \$100 - \$2,550
- 2017 Claims can be incurred through March 15, 2018 and must be submitted for reimbursement with the appropriate documentation by April 15, 2018.

Dependent Care Flexible Spending Account (DFSA) administered by Aon Hewitt

- Annual contributions: \$100 - \$5,000
- 2017 Claims can be incurred through December 31, 2017 and must be submitted for reimbursement with the appropriate documentation by April 15, 2018.

Important note for employees who have 2016 FSAs: Eligible expenses must be incurred by December 31, 2016 and filed with the appropriate documentation to UnitedHealthcare by March 31, 2017.

Health and Welfare – Dental

- Choice of two MetLife dental options (Enhanced and Standard) featuring the PDP Plus network which provides opportunity for savings when utilizing PDP Plus providers.
- Open enrollment materials will provide information about available coverage options and monthly contribution amounts
 - Enhanced option slightly richer than current Nokia dental plan with UHC (calendar year maximum is \$250 more than current UHC plan); employee cost slightly higher than current Nokia plan
 - Standard option less rich than current Nokia dental plan (calendar year maximum is \$500 less than current UHC plan); employee cost lower than current Nokia plan.
- Maximum Dental Benefit Carryover - This provision is being eliminated. You will no longer be able to carry forward additional unused maximum benefits into future calendar years.
- No I.D. cards required; may print from MetLife site if needed.

Health and Welfare – Life Insurance

Employee Basic Life – 2 times base pay (Company paid).

Employee Basic AD&D – 2 times base pay (Company paid).

Employee Group Universal Life (Employee Paid) – up to 10 times base plus target bonus, \$2 million maximum

- Includes a savings feature, Cash Accumulation Fund.

Dependent Life – (Employee paid)

- Spouse/Domestic Partner:
 - Increments of \$10,000, \$15,000, \$20,000, \$50,000, \$75,000, \$100,000 (provided at discounted flat rate per \$1,000 regardless of age)
 - Increments of \$150,000, \$200,000 or \$250,000 provided at higher, age banded rates
- Child: \$5,000, \$10,000 or \$20,000.

Supplemental AD&D – (Employee paid)

- Employee: 1 to 10 times annual base pay, \$1 million maximum
- Spouse/Domestic Partner: 1 to 5 times employee's annual base pay, \$500,000 maximum
- Child: \$5,000, \$10,000 or \$20,000.

Open enrollment materials will provide more information regarding mapping of existing coverage to new coverage options above.

Health and Welfare - Life Insurance

- Effective January 1, 2017, all payroll deductions for Life and Accidental Loss Insurance Coverage for yourself, spouse and children will be paid for with After-Tax Deductions
 - Currently, some deductions are paid with pre-tax deductions
 - Enrollment/changes will no longer be restricted to annual open enrollment or life event changes; may apply for or change coverage at any time, subject to applicable evidence of health requirements, etc.

Time Off – Vacation (Paid)

- Vacation based on recognized years of service.

Years of Service	Vacation Per Year
Up to 6 years	22 days
7 – 11 years	27 days
12 – 19 years	30 days
20 or more years	32 days

- Personal and Family Health days will be eliminated for legacy Nokia employees as they were considered in the development of the overall Time Off policies.
- Additional vacation/PTO begins on January 1st of the same calendar year that the requisite service is achieved.
- No carry over provisions unless mandated by local or state law.

Time Off – Holidays; Sick Days and Bereavement (Paid)

- 7 Official Company Holidays are unchanged
 - New Year's Day
 - Memorial Day
 - Independence Day
 - Labor Day
 - Thanksgiving Day
 - Day After Thanksgiving
 - Christmas Day.
- Employee Sick Days – as needed, within reason
 - Continue to use the existing time reporting process and systems
 - Effective January 1, 2017 the codes for personal and family health days will be eliminated and will be replaced with sick time.
- Bereavement – 3-5 days for family member.

Time Off – Short and Long Term Disability (Paid)

- Short Term Disability
 - Up to 26 weeks of salary continuation
 - 90% first 13 weeks, 70% remaining 13 weeks – for employees with less than 15 years of service
 - 90% for 26 weeks – for employees with 15 or more years of service
 - Paid by the company; no employee contribution or enrollment required
 - Eligible Earnings - Base pay only.
- Long Term Disability
 - 60% of eligible earnings at time disability commences
 - Paid by the company; no enrollment and no buy up required by employee
 - Duration: To age 65 or until no longer eligible
 - Eligible Earnings – Base Pay only.

Time Off – Leaves of Absence (Unpaid)

- 2 Basic Company Leave Categories
 - Personal Leaves of 90 days or less – with job guarantee
 - Extended Personal Leaves – 91 days to one year – no job guarantee.
- Other leaves (both paid and unpaid), as required, will be offered to comply with federal, state and local laws, includes Military Leave, Family Medical Leave Act (FMLA), etc.

Voluntary “Added Benefits” Program

Enrollment in the following programs is separate from annual Open enrollment but is **concurrent** with open enrollment.

Legal – Hyatt provides members with comprehensive legal advice on common legal matters through a nationwide network of attorneys.

Vision - EyeMed Vision Care provides members with vision care and prescription eyewear through a vast network of providers that includes independent providers as well as national chains.

Health Advisory Services – PinnacleCare provides members with a service that represents the best interests of individuals and their families. You will be connected with top rated specialists who can provide a second opinion and a range of available treatment options.

Voluntary “Added Benefits” Program

Enrollment in the following programs can be done at any time during the year.

Identity Theft Protection Services – LifeLock Identity Theft Protection Services provides members with a choice of two levels of protection for managing the unforeseen circumstances of identity theft.

Pet Insurance – Nationwide provides members several plan options that reimburse eligible veterinary expenses relating to accidents, illnesses and injuries for dogs, cats, birds, and exotic pets. A wellness protection coverage option will also be available for routine preventive exams and services.

Auto and Home - With a MetLife, Travelers, or Liberty Mutual Auto and/or Homeowners policy, you may enjoy special group rates and a claims reporting service available 24 hours a day, seven days a week. Free, no obligation quotes available.

Resources – 2017 US Open Enrollment

Open Enrollment Dates*

- Oct. 24 – 30, 2016: Online only on the Your Benefits Resources (YBR) website at: <http://resources.hewitt.com/nokia>
- Oct. 31 – Nov. 11, 2016: Online or via the *Nokia Benefits Resource Center* (1-888-232-4111).

Note: enrollment ends at 5PM ET on the last day, late enrollments will not be accepted

Open Enrollment communications – subject line “2017 US Benefits Open Enrollment”

- Sept. 21, 2016 - Pre-enrollment email to be distributed
- Oct. 19, 2016 – Enrollment email to be distributed.

*Enrollment dates for certain Added Benefits (voluntary benefits) run concurrent with the above dates. Brochures from Added Benefits will be mailed to the employee's address of record the week of Sept. 26, 2016.

IMPORTANT: because your default coverage for 2017 will be different than your 2016 coverage it is especially important that you confirm that your default coverage is the coverage you want for 2017

Other

Retiree Healthcare

- Legacy Alcatel-Lucent provides “access” to retiree healthcare (retiree medical and dental coverage) for eligible former employees
 - Access means that the coverage is not subsidized by the company—it is entirely retiree-paid.
 - This benefit is being extended to current legacy Nokia employees, for retirements occurring on or after January 1, 2017.
- Under the 2017 plan design, employees who meet either of the following criteria upon termination of employment will have access to company-provided retiree healthcare (medical and dental) coverage upon becoming Medicare eligible (provided the company continues to offer this benefit at that time):
 - Attaining age 50 with 15 years of service or
 - Attaining age 55 with 10 years of service.

Other – continued

Employee Assistance Program (EAP), offered through Magellan Health Services, Inc., provides confidential assistance from trained, compassionate professionals. Following are a few of the key topics EAP counselors can help address:

- Managing stress
- Working through grief or loss
- Coping with depression and anxiety.

Work-Life, also offered through Magellan Health Services, Inc., provides referral services, educational materials, access to an expanded on-line library of information and tools in connection with the following:

- Childcare & Parenting
- Adult Care & Aging
- Pregnancy & Adoption
- Daily Life Issues.

Other – continued

Adoption Assistance - provides eligible employees up to \$3,500 per child adopted, less applicable taxes, for adoption-related expenses incurred in connection with legal adoption.

Tuition Assistance Program (TAP) – is available to full-time and part-time employees. Maximum reimbursement amounts are \$7,000 per annum for undergraduate courses and \$9,000 per annum for graduate courses. Educational programs must be related to the scope of Nokia's business operations. Other eligible expenses include most fees or similar payments and supplies as allowed under Internal Revenue Code Section 127.

Commuter Benefits - offers eligible employees the opportunity to use pre-tax earnings to cover certain public transportation commuting and parking expenses. Employees can deduct up to \$255 for public transit expenses and up to \$255 for parking expenses each month.

Severance Plans

- Severance plans for the former companies remain the same for employees through December 31, 2016.
- Effective January 1, 2017, severance benefits will be harmonized. Under the new Nokia Severance Plan, eligible employees in level 500/job grades 13 and below receive a paid notice period,* a severance payment (upon the execution of a Termination Agreement and Release), and access to outplacement services. The notice period is 9 weeks in length.
- The severance payment (calculated as a number of weeks of regular base pay) is determined as indicated in the Severance Payment Table on the following slide.

**Notice period is non-working, unless company needs dictate otherwise.*

Severance Plans - continued

SEVERANCE PAYMENT TABLE

(Must Execute Severance Agreement and General Release to Receive)

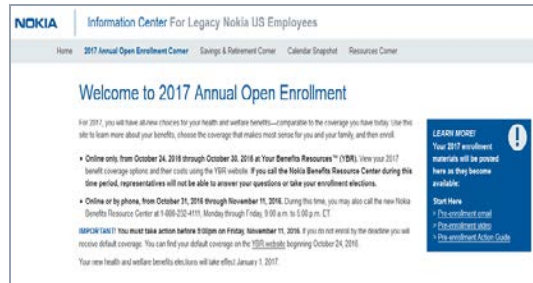
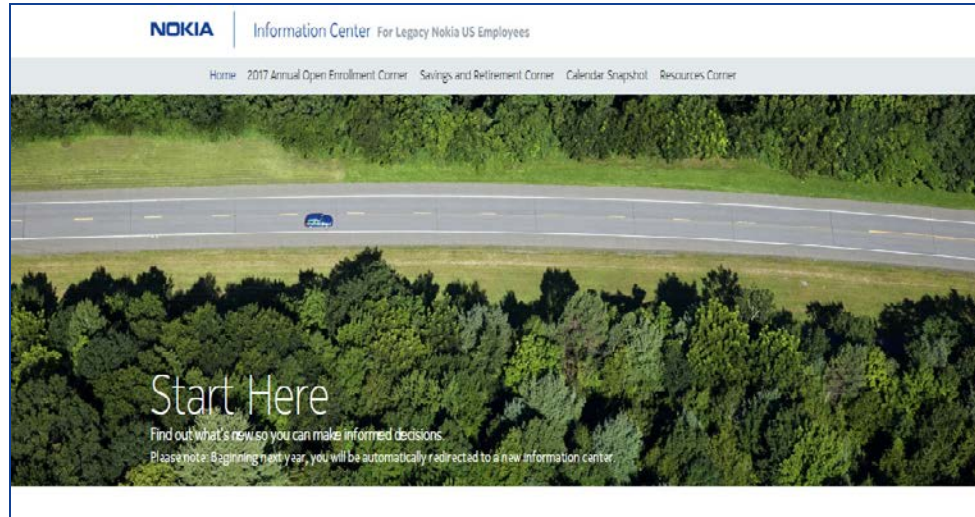
Number of Years of Completed Service as of the Last Day of the Relevant Notification Period	Number of Weeks of Severance Pay*
0 to 5	5
6	7
7	9
8	11
9	13
10	15
11	17
12	19
13	21
14	23
15+	25

Eligible Employees classified as a “Level 500” or a “Level 400” will receive a severance payment calculated as follows:

- for an Eligible Employee classified as a “Level 500” employee (Grade 12 or 13) on his or her Notification Date, an amount equal to twenty-five (25) Weeks of Regular Base Pay;
- for an Eligible Employee classified as a “Level 400” employee (Grade 11) on his or her Notification Date, an amount equal to the greater of (A) thirteen (13) Weeks of Regular Base Pay, or (B) the amount determined under the Table at the left.

**Weeks of Regular Base Pay.*

Resources - Learn More on the Nokia Information Center



- Custom website for legacy Nokia participants to use for the remainder of 2016. Go to www.nokiainformationcenter.com for:
- Your Benefits Resources (YBR) tutorial video¹
- 2017 Open Enrollment materials¹
- Savings Plan/401(k) transition guide and related documents¹
- Password not required.

Note: Beginning in January 2017 all employees will use [BenefitAnswers Plus](#)

¹Documents will be posted as they are released.

Resources – What’s the Difference Between the Websites?

Nokia Information Center Website¹

www.nokiainformationcenter.com

(non-personalized; no password required)

Temporary website to make it easy for legacy Nokia employees to find information during the remainder of 2016

2017 Open Enrollment materials

YBR tutorial (video)

Savings Plan/401(k) transition guide and related documents

Your Benefits Resources™ (YBR) Website

<http://resources.hewitt.com/nokia>

(personalized and password protected)

Find personalized information about your health and welfare benefit costs and options

Enroll in your benefits, including Flexible Spending Accounts HFS/DFSA

Find a doctor or healthcare provider

Review, add or change your dependent(s) information on file

Added Benefits (Voluntary) Website

www.addedbenefitsaccess.com

(personalized and password protected)

Legal

Vision

Auto and Home Insurance

Identity Theft Protection

Health Advisory Services

Pet Insurance

These are considered voluntary benefits, which are not sponsored by Nokia. Information about these benefits may be found at the website above or by calling Added Benefits at 1-800-622-6045.

¹Beginning 1/1/17 the site will be archived and legacy US Nokia employees will be redirected to BenefitAnswers Plus at www.benefitanswersplus.com

Resources – Learn More on BenefitAnswers Plus

Beginning January 1, 2017, you can visit <http://www.benefitanswersplus.com>

BenefitAnswers Plus is your primary resource to:

- See benefit news and updates, including coverage tips and reminders
- View SPDs of benefit plans (note: certain updated SPDs will not be available until later in 2017)
- Find carrier contact information during the year
- Find instructions on what to do if you experience a Qualified Status Change (QSC) such as marriage, newborn, adoption during the plan year
- Review current and previous years' Annual Open Enrollment material, such as Benefits At A Glance and Resource Contact Information.

Benefit Answers Plus contains non-personalized information and does not require a password

You can find the information appropriate for you by: *Selecting Management/Non-Represented Employees* in the center of the page.

Resources – Important Contact Information

- Nokia Information Center : www.nokiainformationcenter.com
- Your Benefits Resources (YBR): <http://resources.hewitt.com/nokia>
- Added Benefits: www.addedbenefitsaccess.com or 1-800-622-6045, Monday – Friday, 9:00 a.m. – 5:00 p.m. Eastern Time (ET)
- Nokia Benefits Resource Center:
1-888-232-4111, Monday – Friday, 9:00 a.m. – 5:00 p.m. Eastern Time (ET)
- BenefitAnswers Plus: www.benefitanswersplus.com
 - Legacy Alcatel-Lucent employees use this website currently. All employees will use this website beginning on January 1, 2017.

Appendix – Monthly Contribution Comparison

Comparison of Legacy Nokia 2016 Medical Plan Contributions vs 2017 Harmonized Nokia Medical Plan Contributions

<u>2016 Legacy Nokia Medical Plan Options</u>					<u>2017 Harmonized Nokia Medical Plan Options</u>				
	<u>EE</u>	<u>EE + Spouse</u>	<u>EE + Children</u>	<u>Family</u>		<u>EE</u>	<u>EE + Spouse</u>	<u>EE + Children</u>	<u>Family</u>
<u>UHC Choice Plus PPO*</u>					<u>UHC Standard POS**</u>				
Monthly Cost ¹	204.46	356.65	348.04	488.18	Monthly Cost	27.00	117.00	68.00	163.00
With \$110 Gold Wellness Credit ¹	94.46	246.65	238.04	378.18					
With \$145 Platinum Wellness Credit ¹	59.46	211.65	203.04	343.18	<u>UHC Enhanced POS***</u>				
					Monthly Cost	67.00	296.00	172.00	413.00
<u>UHC PPO Low Bridge*</u>									
Monthly Cost ¹	173.20	275.09	269.30	353.74					
With \$110 Gold Wellness Credit ¹	63.20	165.09	159.30	243.74					
With \$145 Platinum Wellness Credit ¹	28.20	130.09	124.30	208.74					
<u>UHC HSA*</u>									
Monthly Cost ¹	164.43	253.13	240.31	329.48					
With \$110 Gold Wellness Credit ¹	54.43	143.13	130.31	219.48					
With \$145 Platinum Wellness Credit ¹	19.43	108.13	95.31	184.48					
*80% Coinsurance after deductible					**80% Coinsurance with no deductible				
¹ In addition, legacy Nokia has a \$150/month working spouse surcharge and a \$75/month tobacco surcharge per using employee and using spouse					***90% Coinsurance with no deductible				

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