

**BOARD'S PROPOSALS TO THE
ANNUAL GENERAL MEETING**

8 April, 2014

BOARD'S PROPOSALS TO THE AGM

Dividend policy and payment of dividend

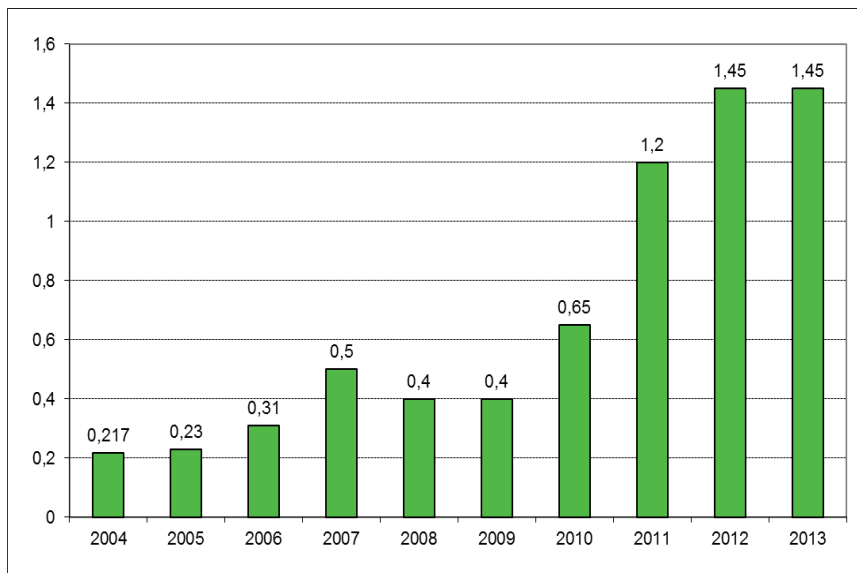
- Dividend policy: to distribute at least 35% of net profit in dividends
- Parent company's distributable funds on 31 Dec 2013 were 412.8 m€, profit 2013 was 139.5 m€, payment of dividend amounts to 193.3 m€, 219.5 m€ to be retained in shareholders' equity
- Parent company's distributable funds on 31 Dec 2014 will be approximately 580 m€, including dividends from subsidiaries

The Board of Directors' proposal:

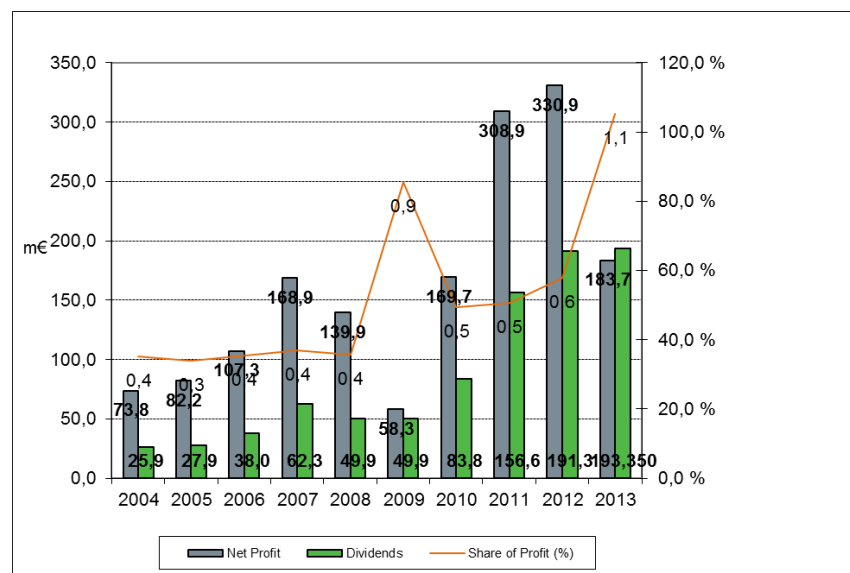
A dividend of EUR 1,45 per share be paid for the fiscal year ended 31 December 2013.

- Dividend is 105.2% of net profit
- The dividend will be paid to shareholders who, on the record date, 11 April 2014, have been entered in the Company's shareholder register maintained by Euroclear Finland Oy.
- The payment date for the dividend is 25 April, 2014.

Dividend per share (EUR)



Net profit (m€), dividends and share of profit (%)



BOARD'S PROPOSALS TO THE AGM

Remuneration of the members of the Board

The Nomination and Remuneration Committee's proposal:

Remuneration unchanged

- The fee paid to the Chairman of the Board would be EUR 80,000 per year, and the fee paid to Members of the Board EUR 40,000 per year
- 50% of the annual fee be paid in cash and 50% in company shares to the effect that in the period from 9 April to 30 April 2014, EUR 40,000 worth of Nokian Tyres plc shares will be purchased at the stock exchange on behalf of the Chairman of the Board and EUR 20 000 worth of shares on behalf of each Board Member
- Each Member of the Board will receive a meeting fee of EUR 600 per each possible attended meeting
- It is proposed not to pay a separate compensation to the President and CEO for Board work.

BOARD'S PROPOSALS TO THE AGM

Number of members of the Board of Directors

The Nomination and Remuneration Committee's proposal:

Board comprises of seven members

BOARD'S PROPOSALS TO THE AGM

Election of members of the Board of Directors

The Nomination and Remuneration Committee's proposal:

Seven members of the Board

- Five Board members of current six to continue: Kim Gran, Hille Korhonen, Risto Murto, Hannu Penttilä and Petteri Walldén. Two new members proposed: Raimo Lind and Inka Mero.
- Kim Gran is the President and CEO of the company. The other Board members are independent of the company. All Board members are independent of any major shareholders of the company.

BOARD'S PROPOSALS TO THE AGM

Board's Nomination and Remuneration Committee's nominee for the Member of the Board of Directors, 1/7

Kim Gran, b. 1954

Bachelor of Science on Economics

President and CEO of Nokian Tyres plc since 2000.

Member of the Nokian Tyres Board since 2002.

Other simultaneous positions of trust

Chairman of the Board:

Rautaruukki Plc and The Rubber Manufacturers'
Association

Vice Chairman of the Board:

Chemical Industry Federation of Finland and YIT

Member of the Board:

East Office of Finnish Industries Oy, Finnish-Russian
Chamber of Commerce (FRCC) and Ilmarinen



BOARD'S PROPOSALS TO THE AGM

*Board's Nomination and Remuneration Committee's nominee
for the Member of the Board of Directors, 2/7*

Hille Korhonen, b. 1961

Licentiate of Technology

President and CEO, Alko Inc.

Member of the Nokian Tyres Board
since 2006. Member of Nomination and
Remuneration Committee.

Other simultaneous positions of trust

Member of the Board:

Finnish Commerce and Lassila & Tikanoja Oy



BOARD'S PROPOSALS TO THE AGM

*Board's Nomination and Remuneration Committee's nominee
for the Member of the Board of Directors, 3/7*

Raimo Lind, b. 1953 – new member

M.Sc, Econ

Other simultaneous positions of trust

Chairman of the Board:

Elisa Plc

Member of the Board:

Capman Credit, HiQ AB and Wilhelm Wahlforss foundation

Key experience

Wärtsilä, Senior Executive Vice President
and deputy to the CEO 2005-2013, CFO 1998-2013

Tamrock; Coal division president, Service division president, CFO 1992-97

Scantrailer, Managing Director, 1990-91

Wärtsilä, Service division, Vice president, Wärtsilä Singapore Ltd, MD, Diesel
division, VP Group Controller 1976-89



BOARD'S PROPOSALS TO THE AGM

*Board's Nomination and Remuneration Committee's nominee
for the Member of the Board of Directors, 4/7*

Inka Mero, b. 1976 - new member
Master of Economics

Co-Founder and Chairwoman KoppiCatch Ltd

Other simultaneous positions of trust

Chairman of the Board:

IndoorAtlas Oy and KoppiCatch Oy

Member of the Board:

Finnish Industry Investment Ltd, Klevu Oy, Staffpoint Holding
Oy and StartupSauna Foundation

Key experience

Co-Founder and Chairwoman, KoppiCatch Oy 2008-

CEO, Playforia Oy 2006-2008

Director , Nokia Plc 2005-2006

VP Sales and Marketing, Digia Plc 2001-2005

Investment Manager, Sonera Corporation 1996-2001



BOARD'S PROPOSALS TO THE AGM

*Board's Nomination and Remuneration Committee's nominee
for the Member of the Board of Directors, 5/7*

Risto Murto, b. 1963

Doctor of Science (Economics), Master of Science
(Economics)

CEO, Varma Mutual Pension Insurance Company

Member of the Nokian Tyres Board since 2012.
Member of Nomination and Remuneration Committee
and Tax Inspection Committee.



Other simultaneous positions of trust

Chairman of the Board:

NV Kiinteistösijoitus and VVT Kiinteistösijoitus Oy

Vice Chairman of the Board:

Kaleva Mutual Life Insurance, Oulu University and VVO-Group Plc

Member of the Board:

Federation of Finnish Financial Services FFI and
The Finnish Pension Alliance TELA

BOARD'S PROPOSALS TO THE AGM

Board's Nomination and Remuneration Committee's nominee for the Member of the Board of Directors, 6/7

Hannu Penttilä, b. 1953

Master of Laws

CEO, Stockmann plc

Member of the Nokian Tyres Board since 1999.

Member of Nomination and Remuneration Committee
and Tax Inspection Committee.

Other simultaneous positions of trust

Chairman of the Board:

Several subsidiaries of Stockmann group

Member of the Board:

HC Ässät Pori Oy and East Office of Finnish Industries Oy

Member of the Supervisory Board:

Varma Mutual Pension Insurance Company



BOARD'S PROPOSALS TO THE AGM

Board's Nomination and Remuneration Committee's nominee for the Member of the Board of Directors, 7/7

Petteri Walldén, b. 1948

Master of Science

Member of the Nokian Tyres Board since 2005.

Chairman of the Board and Nomination and
Remuneration Committee.

Other simultaneous positions of trust

Vice Chairman of the Board:

Tikkurila plc

Member of the Board:

Kuusakoski Group Oy, One Nordic Holding AB,
SE Mäkinen Logistics Oy, Staffpoing Holding Oy
and Teleste Oyj



BOARD'S PROPOSALS TO THE AGM

Remuneration of the auditor

Board's proposal:

Auditors' fees are paid according to auditor's invoices approved by Nokian Tyres.

Previous years' fees for auditing and other services:

- 2009: audit fees 397,000 €; to KPMG Oy Ab from other services 186,000 €
- 2010: audit fees 407,000 €; to KPMG Oy Ab from other services 87,000 €
- 2011: audit fees 510,000 €; to KPMG Oy Ab from other services 211,000 €
- 2012: audit fees 543,000 €; to KPMG Oy Ab from other services 306,000 €
- 2013: audit fees 494,000 €; to KPMG Oy Ab from other services 238,000 €

Board's proposal:

KPMG Oy Ab, authorised public accountants, be elected as auditors for the 2014 financial year.

- Auditor: KPMG Oy Ab, authorised public accountants
 - Jari Härmälä, Authorised Public Accountant
- According to Audit Act the aggregate duration of audit terms of Authorised Public Accountant can not exceed seven years
- KPMG was elected as Auditor in 2012 after competitive bidding