

Capital Markets Day 2021



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Our ambition is to be

The world's most trusted
systems partner for the world's
most critical networks.

Network infrastructure at a glance

A strong foundation for value acceleration

Net Sales (2020)

€7.0bn

Comparable OP (2020)

7%

Top CSPs worldwide are
our customers

99 of 100

Enterprise customers

>1,500

Top cloud providers

7 of 8

SP Routing EMEA¹
Next Gen Fiber Access²
Global Turnkey Subsea

#1

SP Routing Global³
Optical Transport EMEA²
Global Fiber Access³

#2

¹4Q20, Dell'Oro, ²4Q20 Rolling, Dell'Oro, ³Excl-China, 4Q20, Dell'Oro Revenue figures for 2020

Network Infrastructure

Our portfolio

IP Networks

IP networks & services for residential, mobile, enterprise and cloud interconnect applications

Optical Networks

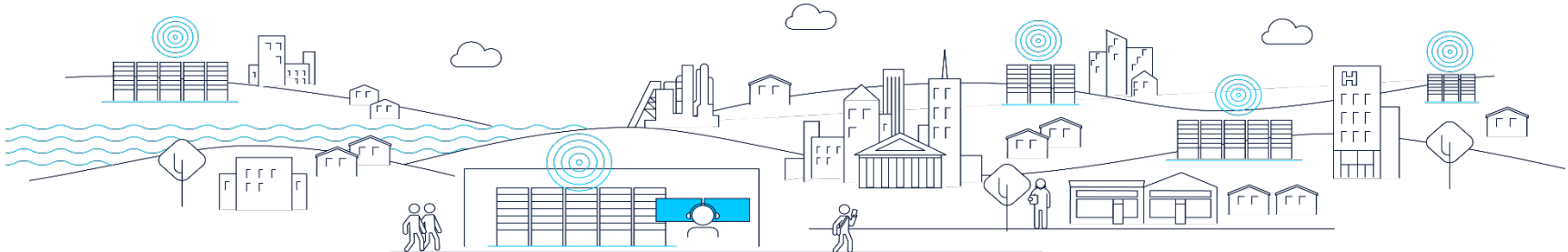
Optical transport networks for metro-access, regional, longhaul and ultra longhaul applications

Fixed Networks

Fixed network services and solutions spanning fiber, 5G and copper broadband access networks

Submarine Networks

Turnkey global undersea transmission systems for CSPs, webscale, and oil and gas applications



Market trends

Critical networks underpin industry transformation



5G infrastructure
& services



Enterprise digital
transformation & cloud

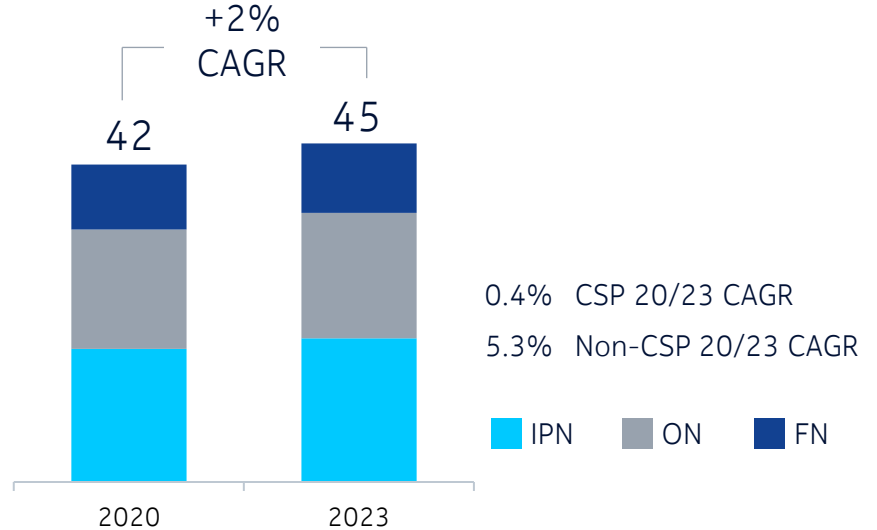


Pandemic-accelerated
residential broadband



Industry 4.0

NI TAM 2020-23¹ €bn



¹Does not include submarine cables or DC switching

Our strategy for growth

Technology leadership and customer focus

1

Deliver Portfolio Innovation

Technology leadership in networking silicon, software, and automation



2

Strengthen CSP Foundation

Focused investment on delivering solutions optimized for CSPs



3

Accelerate non-CSP Growth

Further expansion into webscale and enterprise markets

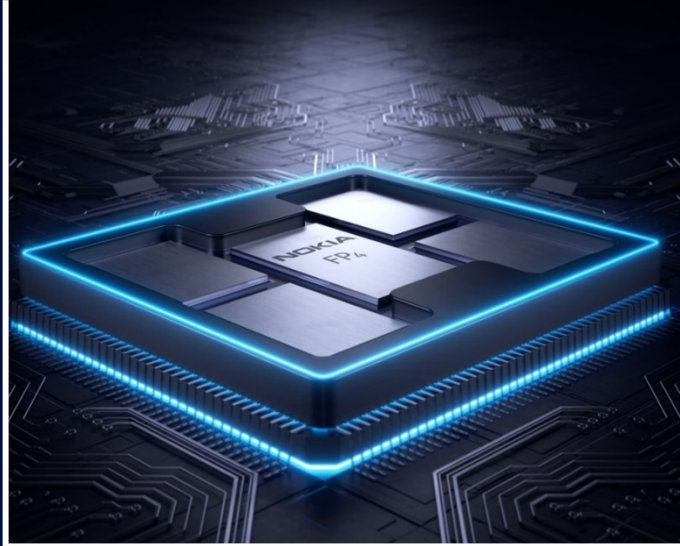
IP Networks

Strengthening our leadership
position in core technologies

Industry leading silicon
& systems

Software excellence

Network automation & tools



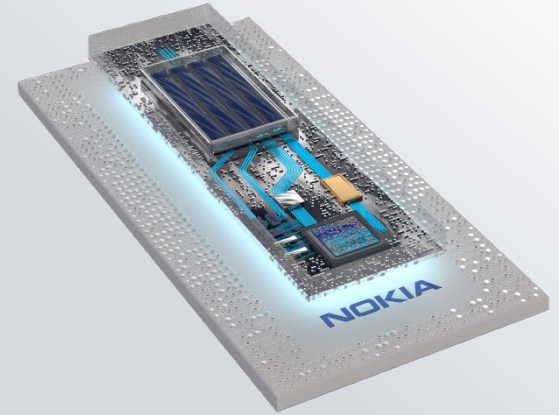
Optical Networks

Driving profitability through technology investment and increased scale

Deliver next-gen DSPs

Silicon photonics for optical components and modules

Network automation & application ecosystem



Fixed Networks

Continued leadership in fiber with next gen 10G & 25G

Invest in in-house silicon and optical modules for cost, TTM and differentiation

Cloud native software for automation and scalability

Lead in 5G FWA CPEs



Submarine Networks

Confirm leadership in submarine optical cable industry

Vessel fleet rejuvenation and expansion of owned vessels

Conversion of strong backlog



Opportunities to accelerate value creation

Data Center Networks

Opportunity:

DC switching is a large market with significant growth opportunity

Challenge:

Large established market with solid competition

5G Fixed Wireless Access

Opportunity:

5G brings increasing opportunity & traction for FWA

Challenge:

Limited silicon ecosystem diversity

New Network Builders

Opportunity:

Share gains & new sources of investment

Challenge:

New builders require new sales engagement model

Openness & Disaggregation

Opportunity:

New technologies and architectural approaches create opportunity for network transformation

Challenge:

Must build the right solutions that deliver value

Our financial ambition

Increase profitability

Comments

Gross profit expands

On market share gains in growing market

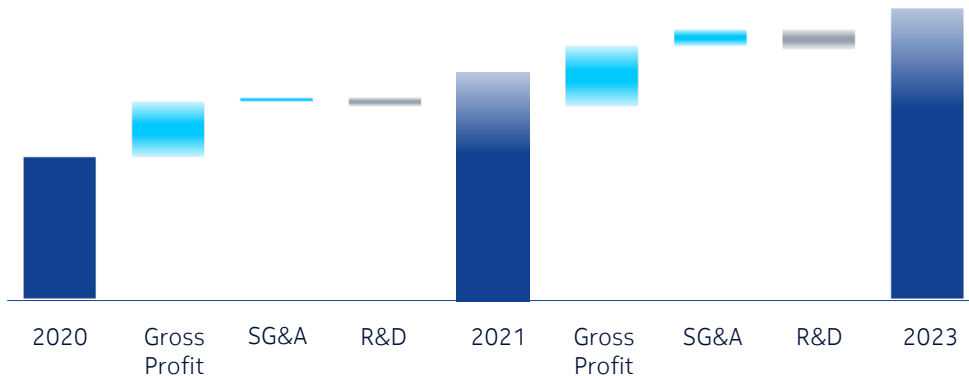
SG&A optimized

2pts lower as % of net sales

R&D investments prioritized

For growth areas as well as cost optimization

Comparable operating profit drivers 2020-2023



Comparable operating margin 2020-2023



Key takeaways

Network infrastructure portfolio



A strong
business
foundation

Market growth
& opportunity

Accelerating
value creation

Structured to
succeed

NOKIA