



Annual Sustainability-Linked Bond Progress Report 2025

Nokia Group

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1 Introduction

Advancing connectivity to secure a brighter world.

Nokia has long been trusted to provide the critical network infrastructure the world relies on. Today, Nokia’s technology is connecting intelligence – powering our customers with advanced connectivity.

With its customers Nokia delivers solutions that help the world respond to climate change through the more efficient use and reuse of the world’s resources, restore productivity growth by bringing digital to the physical industries it has not yet reached, and provide more inclusive access to opportunity – work, healthcare, education, and markets.

Our technology enables industries and cities to digitalize and automate, driving efficiency and productivity gains while enabling potential reductions in emissions and use of natural resources. It supports improved worker safety and more secure, inclusive, and safer communities.

Nokia’s sustainability strategy aims to enhance the positive impact of the company, taking into consideration material risks and opportunities in several important focus areas.

This 2025 Sustainability-Linked Bond Progress Report has been prepared in accordance with the Sustainable Finance Framework of February 2023 (the “Sustainable Finance Framework”) and the terms and conditions of the outstanding EUR 500m 4.375% Senior Unsecured Sustainability-Linked Redemption Notes due August 2031 issued on 21 February 2023 (the “2031 Notes”), as set out in Nokia’s Base Prospectus dated 14 June 2022, as supplemented by the Supplementary Base Prospectus dated 9 February 2023 and as completed by the Final Terms dated 17 February 2023 (the “2031 Notes Terms and Conditions”). This progress report should be read in conjunction with (i) Nokia Annual report 2025, which includes a Sustainability Statement; (ii) the 2031 Notes Terms and Conditions; and (iii) the Sustainable Finance Framework. The Annual report was published on 9 March 2026 and is available on Nokia’s investor website¹. The 2031 Notes Terms and Conditions and the Sustainable Finance Framework are also available on Nokia’s website.²

1.1 Key Performance Indicator (KPI)

The KPI selected for the purpose of the Sustainable Finance Framework is the reduction in greenhouse gas emissions, reflecting Nokia’s climate target and representing a core, material metric for our business and sector.

KPI 1: | Reduction of absolute greenhouse gas emissions across our value chain (Scope 1, 2 and 3)

¹ <https://www.nokia.com/about-us/investors/results-reports/#annual-reports>

² <https://www.nokia.com/aboutus/investors/debt-information/debt-downloads>

The KPI is relevant and material to Nokia's business as it clearly ties into Nokia's strategy of maximizing its handprint whilst at the same time striving to minimize any potential negative impacts of technology that is Nokia's footprint.

As traffic volumes rise in an increasingly connected and digitalized world, Nokia recognizes its responsibility to help decouple this growth in traffic from any corresponding rise in energy consumption. With 94% of emissions resulting from products in use in its customers' networks, the greatest efforts for Nokia remain concentrated on product design and innovation, to reduce the power consumption and improve energy efficiency of products across its portfolio (scope 3, category 11).

This KPI also captures Nokia's strive to reduce GHG emissions across its operations and facilities, and work with its supply chain to help drive greater energy and resource efficiency through the whole chain.

1.2 Sustainability Performance Target (SPT)

Nokia was the first telecoms vendor to have its 2030 science-based targets validated by the SBTi in 2017 and was among the first 100 companies across all sectors to do so. In 2021, Nokia recalibrated its targets in line with a 1.5°C warming scenario, committing publicly to reduce its GHG emissions by 50% across its value chain (Scope 1, 2 and 3) by 2030 from a 2019 baseline.

Building on this commitment, Nokia looked to investigate how to accelerate its net-zero ambition and to define the related transition plan and levers. Following this assessment in 2024, Nokia announced that it is committed to reducing its total global greenhouse gas emissions (GHG) to net-zero across the value chain by 2040, accelerating its previous target by ten years, and putting it ahead of the Paris Agreement target of net-zero by 2050.

To ensure net-zero target alignment with climate science, Nokia submitted its net-zero letter of commitment to the SBTi. In January 2025, SBTi approved Nokia's net-zero target, which includes Nokia's commitment to reach net-zero GHG emissions across the value chain by 2040.

With the new SBT Net-Zero target approved in 2025, the fiscal year 2024 was the last year Nokia reported its previous 2021 accepted SBT target.

Nokia's new SBT net-zero target includes both near-term and long-term targets.

- Near-term target: Nokia commits to reduce absolute scope 1, 2 and 3 GHG emissions 50% by 2030 from a 2019 base year.
- Long-term target: Nokia commits to reduce absolute scope 1, 2 and 3 GHG emissions 90% by 2040 from a 2019 base year.

Scope 3 includes the following significant categories to Nokia: category 1 – purchased goods and services, category 2 – capital goods, category 4 – upstream transportation and distribution, category 6 – business travel and category 11 – use of sold products.

Nokia's ambition in its Sustainable Finance Framework is to halve its emissions from 2019 levels by 2030.

SPT 1: | **reduce absolute scope 1, 2 and 3 GHG emissions 50% by 2030 from a 2019 base year.**

2 Calculation methodology

Emission calculation methodology

Our approach to measuring greenhouse gas emissions follows the Greenhouse Gas (GHG) Protocol (www.ghgprotocol.org) developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). We use the following three standards:

- The Greenhouse Gas Protocol, A Corporate accounting and reporting standard.
- GHG Protocol, Scope 2 guidance, An Amendment to the GHG Protocol corporate standard.
- Corporate value chain (Scope 3), Accounting and reporting standard, Supplement to the GHG Protocol corporate accounting and reporting standard.

The GHG Protocol defines three scopes of CO₂eq emissions:

- Scope 1 – direct emissions, from sources owned or controlled by the company.
- Scope 2 – indirect emissions, from the consumption of purchased electricity, heat, and/or steam (location-based and market-based).
- Scope 3 – indirect emissions, as a consequence of the activities of the company, but from sources not owned or controlled by the company.

Greenhouse gases

We report the emissions as CO₂ equivalents (CO₂eq) as per GHG Protocol’s guidance. CO₂eq is the universal unit of measurement to indicate the global warming potential (GWP) of the greenhouse gases in the Kyoto protocol, expressed in terms of the GWP of one unit of CO₂eq.

Operational boundaries and emission calculation

Nokia uses the operational control approach for setting organizational boundaries for its GHG emissions inventory. Nokia uses emission factors available at the beginning of the reporting year for scope 1, 2 and 3 calculations.

3 KPI performance

To preserve like-for-like comparability of reporting over time and maintain consistency with greenhouse gas accounting principles and SBTi requirements, Nokia has updated its 2019 baseline amount in accordance with the Recalculation Policy set out in its Sustainable Finance Framework, as further described below.

Capitalised terms used but not defined in this Section 3 shall have the meanings ascribed to them in the 2031 Notes Terms and Conditions.

3.1 Recalculation Event and Revised GHGe Scope 1+2+3 Reference Base under the 2031 Notes

During the financial year ended 31 December 2025, Nokia determined in good faith and in accordance with the GHGe Scope 1+2+3 Recalculation Policy that a Recalculation Event occurred under the 2031 Notes Terms and Conditions requiring recalculation of the GHGe Scope 1+2+3 Reference Base (being the 2019 baseline KPI Amount against which its GHG emission reduction target is determined). The Recalculation Event arose from: (a) the acquisition of Infinera Corporation (“Infinera”), which completed on 28 February 2025 (the “Infinera Acquisition”); (b) the divestment of Alcatel Submarine Networks (“ASN”), which completed on 31 December 2024 (the “ASN divestment”); and (c) the change in emissions coverage.

These changes affected the perimeter and data coverage of Nokia’s reported emissions and therefore the comparability of performance against the original GHGe Scope 1+2+3 Reference Base. The Infinera Acquisition and ASN divestment each reflected significant structural changes to the Nokia Group. The Change in Emissions Coverage reflected a significant change in the calculation coverage of the GHGe Scope 1+2+3 KPI.

- 3.1.1 **Infinera Acquisition.** Infinera became part of the Nokia Group with effect from the closing of the transaction on 28 February 2025. The GHGe Scope 1+2+3 Reference Base has been revised (i.e. increased) to include Infinera’s GHG emissions for the full year 2019, estimated based on Infinera’s reported emissions for 2020–2024 and recalculated according to Nokia’s reporting principles and GHG Protocol. The Infinera acquisition increased the 2019 base values by 3%. Infinera is included in the GHGe Scope 1+2+3 KPI for the financial year ended 31 December 2025, from the effective date of the acquisition.
- 3.1.2 **ASN divestment.** The sale of ASN completed on 31 December 2024. The GHGe Scope 1+2+3 Reference Base has been revised (i.e. decreased) to exclude GHG emissions from ASN for the full year 2019. ASN has been excluded from the GHGe Scope 1+2+3 KPI for the financial year ended 31 December 2025.
- 3.1.3 **Change in Emissions coverage.** In connection with Nokia’s SBTi-approved net-zero target, Nokia has decided to include all reported GHG emissions into its net-zero target.

The original 2019 GHGe Scope 1+2+3 Reference Base (as set out in the 2031 Notes Terms and Conditions) has accordingly been recalculated from 34,961,000 tCO₂eq to 41,772,357 tCO₂eq. The GHGe Scope 1+2+3 Threshold Percentage in respect of the 2031 Notes remains 50% and has not been changed. The GHGe Scope 1+2+3 KPI Threshold Amount for the purposes of the 2031 Notes, based on the revised GHGe Scope 1+2+3 Reference Base, is 20,900,000 tCO₂e. The recalculated baseline and the 2030 reduction ambition remain within the objective of Nokia’s SBTi-validated target.

KPI	SPT	Unit	2019 revised baseline	2025 outcome	SPT for 2030
Reduction of absolute greenhouse gas emissions across our value chain (scope 1, 2 and 3)	Reduction of absolute scope 1, 2 and 3 GHG emissions 50% by 2030 from a 2019 base year.	Metric tons CO2eq	41 772 357	30 490 080	-50%

For the fiscal year 2025, Nokia’s total GHG emissions (market-based) were 30,490,080 tCO2eq representing a 27% reduction compared to the revised base year 2019. The result was mainly driven by changes in scope 3 category 11 use of sold products, which decreased by 21% compared to the revised base year 2019.

3.2 Examples of measures taken in 2025 impacting KPI performance

Nokia addresses its own environmental footprint, focusing on both climate and circularity.

Energy efficiency and renewable electricity

Reducing power consumption across its product portfolio is one of the most direct ways Nokia can influence its carbon footprint. Improving energy efficiency remains a central focus because of the impact it has on both operational and lifecycle emissions.

Alongside this, Nokia continues to shift how its own operations are powered. In 2025, 96% of the electricity used across Nokia-owned and leased facilities came from renewable sources. This high share of renewable electricity played a key role in lowering Scope 2 market-based emissions and supports our continued commitment to reach 100% renewable electricity in our own facilities.

Embodied emissions

Nokia works closely with suppliers to improve supplier maturity around emissions measurement, target setting, roadmaps and good practice.

Nokia engages regularly with approximately 500 of its larger suppliers, taking into account the CDP Climate program cycle. In 2025, 390 of Nokia’s key suppliers responded to CDP’s request to disclose their climate performance information, while 258 also provided emissions-reduction targets.

Nokia has set a target for its final assembly suppliers to reach zero emissions by 2030 for the portion of their manufacturing allocated to Nokia. All final assembly suppliers have detailed roadmaps on a factory level, and Nokia tracks their execution at business review meetings.

As a result of Nokia’s supplier engagement, a gradual reduction of Nokia’s scope 3 category 1 (Purchased goods and services) emissions has been observed since the base year. In 2025, the total supplier emissions (category 1) were reduced by 66% compared to the base year 2019 and final assembly supplier emissions reduced by 42% from the baseline year 2019.

Nokia has also set a 50% reduction target by 2030 for other suppliers. Nokia requires its suppliers to have a documented Environmental Management System (EMS) and requires key suppliers to

be ISO 14001 certified, which Nokia tracks. Nokia also encourages its suppliers to reduce the emissions of Nokia's products.

Nokia does not just set targets for its suppliers but supports them by working together to lower Nokia's upstream indirect emissions and to promote circular practices and innovation. Nokia also focuses on reducing the embodied emissions of its products, for example by offering circular products, adding recycled material content into new products and working with its suppliers on their journey to decarbonizing their energy sources.

Product transportation and distribution

In terms of its logistics, Nokia looks to explore and use the most efficient product transportation options. This involves continuous efforts to reduce air transportation while increasing sea, road and multimodal modes (e.g., combining sea and air) and partly to the regionalization that moves activities closer to customers.

In 2025, GHG emissions from scope 3 category 4 upstream transportation and distribution reduced by 42% compared to the base year 2019. This significant drop is due to our continuous efforts to reduce air transportation while increasing sea, road and multimodal modes (e.g., combining sea and air), to the regionalization that moves activities closer to customers and to the improvements in the containers fill-rate.

Product use phase

GHG emissions from scope 3 category 11 "use of sold products" reduced by 21% compared to the base year 2019.

One of the key actions required for reducing GHG emissions during the product use phase is product energy efficiency improvements in product development. Key actions taken in 2025 included:

- Nokia continued to improve the energy efficiency of its products through incremental, as well as generational hardware improvements;
- Key innovations, including:
 - Extreme deep sleep mode in 5G AirScale radios
 - AI-optimized RAN energy savings and KPIs
 - Traffic-aware sleep modes in mobile backhaul
 - Energy-efficient site solutions

4 Reporting Selected Key Performance Indicator (KPI)

To provide investors and other stakeholders with adequate information about Nokia's implementation of its sustainability strategy in general, Nokia will continue to provide relevant reporting on the progress made in respect of the KPI, and the achievement or not of the applicable SPT.

Such reporting will continue to be made publicly available on an annual basis in a Sustainability-Linked Bond Progress Report (SLB Progress Report) and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the financial and/or structural characteristics of securities issued hereunder. The SLB Progress Report will be published on Nokia's website no later than the date falling 180 days after the last day of the Relevant Financial Year. Nokia's external auditors have performed limited assurance for the reporting period of 2025 presented in this SLB Progress Report, see page 10-12 for the assurance report.

4.1 Scope of data

The sustainability data presented in this report comprises Nokia Group, including Mobile Networks, Network Infrastructure, Cloud and Network Services, Nokia Technologies, and Group Common and Other. This report covers the calendar year 2025 and, where available, trend data from the year 2019.

5 References

- Nokia 2025 Sustainability Statement: <https://www.nokia.com/system/files/2026-03/nokia-2025-sustainability-report.pdf>
- Nokia Sustainable Finance Framework dated February 2023: https://www.nokia.com/sites/default/files/2023-02/nokia_sustainable_finance_framework.pdf
- Sustainability-Linked Bond Principles - Voluntary Process Guidelines, June 2020: <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/June-2020/Sustainability-Linked-Bond-Principles-June-2020-171120.pdf>
- LMA/LSTA/APLMASLLP 2022: [Sustainability-Linked Loan Principles 31 March 2022.pdf \(lma.eu.com\)](https://www.lma.eu.com/~/media/Assets/2022/Linked_Loan_Principles_31_March_2022.pdf)
- Second-Party Opinion by Sustainalytics: [nokia_sustainable_finance_framework_second-party_opinion.pdf](https://www.sustainalytics.com/assets/nokia-sustainable-finance-framework-second-party-opinion.pdf)
- Science Based Targets Initiative: [Understand the Methods for Science-based Climate Action - Science Based Targets - Science Based Targets Initiative](https://sciencebasedtargets.com/methodology)

Independent limited assurance report

To the Management of Nokia Corporation

Scope of the assurance

At the request of Nokia Oyj's (business identity code 0112038-9, hereinafter also "the Company" or "Nokia") management, we have performed a limited assurance engagement, the subject of which is the Selected Sustainability Information described in more detail below.

Subject of assurance

The subject of the assurance is the selected Sustainability Information presented by Nokia Oyj in Section 3.1, on page 6-7 of Nokia's Annual Sustainability-Linked Bond Progress Report 2025, related to the performance of Nokia's science-based target (SBT) (hereinafter "Selected Sustainability Information") in the following respects:

- reported 2025 scope 1, scope 2 and scope 3 greenhouse gas emissions (GHGe Scope 1+2+3), 30 490 080 tCO₂eq
- recalculated 2019 base year scope 1, scope 2 and scope 3 greenhouse gas emissions (GHGe Scope 1+2+3 Recalculation), 41 772 357 tCO₂eq (previously 34 961 000 tCO₂eq)

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Sustainability Information for the reporting period 1 January – 31 December 2025 and for the recalculated 2019 base year has not, in all material respects, been prepared in accordance with the Reporting Criteria defined below.

Basis for conclusion

We performed the assurance of the Selected Sustainability Information as a limited assurance engagement in compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits*.

Our responsibilities under this standard are further described in the *Responsibilities of the assurance provider* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Assurance provider's independence and quality management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We apply International Standard on Quality Management ISQM 1, which requires the authorized audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the management

The Management of Nokia is responsible for the preparation and presentation of the Selected Sustainability Information in accordance with the reporting criteria, i.e. GHG Protocol (hereinafter the "Reporting Criteria"). The Management is also responsible for such internal control as it determines is necessary to enable the preparation of Selected Sustainability Information that is free from material misstatement, whether due to fraud or error.

Inherent limitations in the preparation of Selected Sustainability Information

The determination of greenhouse gas emissions involves inherent uncertainty due to incomplete scientific knowledge used to define the numerical values for emission factors and the combination of emissions from different gases.

Responsibilities of the assurance provider

Our responsibility is to perform the assurance engagement to obtain limited assurance about whether the Selected Sustainability Information is free from any material misstatement due to fraud or error, and to issue a limited assurance report that includes our conclusion.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions that users taken on the basis of the selected Sustainability Information.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the Selected Sustainability Information, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the procedures that have been performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- Performed inquiries with the management of Nokia;
- Performed inquiries with relevant employees responsible for collecting and reporting the Selected Sustainability Information;
- Obtained an understanding of the company's reporting process and information systems related to the Selected Sustainability Information through inquiries.
- Reviewed the supporting documentation and records prepared by the company, where applicable, and assessed whether they support the Selected Sustainability Information.
- Performing analytical review procedures to assess the reasonability of the Selected Sustainability Information presented Nokia's Annual Sustainability-Linked Bond Progress Report 2025.
- Performed site visits at selected locations.
- Assessed the Selected Sustainability Information in the Nokia's Annual Sustainability-Linked Bond Progress Report 2025 has been prepared in accordance with the Reporting Criteria.

Helsinki, 29 June, 2026

Deloitte Oy

Jukka Vattulainen
Authorized Public Accountant (KHT)