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Welcome

Pekka Lundmark
President and CEO

4. Q2 highlights
5. Strategy progress
6. Business group highlights
19. Outlook

Marco Wirén
CFO

12. Addressable market
13. Q2 financial performance
17. Cash flow
18. Venture funds
Strong financial performance across all segments

Q2 21 net sales

+9% (year-over-year at constant currency)

Q2 21 gross margin

42.3% +270 bps YoY (comparable)

Q2 21 operating margin

12.8% +450 bps YoY (comparable)
Good progress in Q2 on our three-phase strategy

**Reset**

- **Mobile Networks**
  - AirScale radio and baseband launch
  - Increased R&D investment
  - Winning back customers

- **Cloud & Network Services**
  - Portfolio rebalancing under way, but showing underlying profitability

**Accelerate**

- **Network Infrastructure**
  - +20% sales growth in Q2*
  - Gaining market share
  - Further product launches in H2

- **Cloud & Network Services**
  - Over 150 customers for 5G Core
  - Now over 340 private wireless deals up from 250 start of the year

**Scale**

- **Nokia Technologies**
  - Two automotive licenses signed

- **Network Infrastructure**
  - Sustained market share gains particularly in fixed networks

*In constant currency*
New AirScale product launch boosts our competitiveness

Next-generation AirScale 5G portfolio powered by ReefShark technology

- Widest bandwidth radios and industry’s lightest 32TRX mMIMO active antenna
- Highest capacity baseband with up to 75% better power efficiency
- Important step in reducing environmental footprint
- New ReefShark SoCs
- O-RAN ready

On track with KPIs

- ~70% ReefShark share by end of 2021
- 4G/5G conversion rate at 90%*
- 4G/5G market share of ~25-27%* in full year 2021

*Excluding China

Winning back customers in Canada and China
Network Infrastructure gaining share in growing markets

- Strong H1 growth for all businesses
- Gaining share in a growing market
- New product launches to come in H2
- Backlog starting to flow through into sales in Submarine Networks

IP Routing Market share*

Optical – WDM + OMSN*

*Source: Dell’Oro – 4 quarter rolling
Global ex. China market share
Portfolio rebalancing on track in Cloud and Network Services

- We are on track with portfolio rebalancing
- Accelerating investment in growth areas
- Deployed 5G SA Core for DISH on AWS
- >340 private wireless customers

5G Core customers

>150

Private Wireless customers

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q3 2020</th>
<th>Q4 2020</th>
<th>Q1 2021</th>
<th>Q2 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>180</td>
<td></td>
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<tr>
<td>250</td>
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<tr>
<td>340</td>
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</tbody>
</table>
Nokia Technologies progress in Automotive

Expanded automotive licensing program, signing two new agreements in Q2 2021, underlining strength of cellular portfolio

#1
PA Consulting ranked Nokia as #1 in 5G Standard Essential Patents

Continued industry leadership with

+3,500

patent families declared essential for 5G

Continue to renew our patent portfolio
Enterprise pipeline remains strong

Q2 21 net sales

-2%

H1 21 net sales

+7%

(year-over-year at constant currency)

• Q2 growth slowed due to tough comparison
• 63 new customers in Q2
• Confidence in pipeline and full year
CFO remarks

Marco Wirén
CFO

12. Addressable market
13. Q2 performance
17. Cash flow
18. Venture funds
Improving outlook for Mobile Networks 2021 addressable market

<table>
<thead>
<tr>
<th>Estimated, in €</th>
<th>2021 (as of Q2 2021)</th>
<th>YoY (at const. ccy)</th>
<th>YoY (prior estimate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile Networks¹</td>
<td>46bn</td>
<td>+6%</td>
<td>+3%</td>
</tr>
<tr>
<td>Network Infrastructure²</td>
<td>42bn</td>
<td>+4%</td>
<td>+4%</td>
</tr>
<tr>
<td>Cloud and Network Services</td>
<td>26bn</td>
<td>+4%</td>
<td>+2%</td>
</tr>
<tr>
<td>Total addressable market</td>
<td>113bn</td>
<td>+5%</td>
<td>+3%</td>
</tr>
</tbody>
</table>

¹Excluding China
²Excluding Submarine Networks

Market size calculated assuming actual currency rates for first half 2021 and end of June EUR/USD rate of 1.19 continues in the second half 2021.
Broad-based growth with most regions contributing

Year-over-year at constant currency

- $5.1bn (Q2 2020)
- $5.3bn (Q2 2021)

- India: +75%
- Latin America: +57%
- Europe: +7%
- North America: +4%
- Greater China Middle East & Africa: +11%
- Asia Pacific: +4%
- FX impact: -4%

+9% constant currency growth
+4% reported growth

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Strong underlying improvements in gross margin
Also helped by a one-off benefit

Group comparable gross margin

Q2 2020 | Product mix | Regional mix | Volume impact | Cost savings | FX impact | MN one-off impact | Q2 2021
---|---|---|---|---|---|---|---
39.6% |  |  |  |  |  |  | 42.3%

Mobile Networks comparable gross margin

Q2 2020 | Product mix | Regional mix | Cost savings | FX impact | MN one-off impact | Q2 2021
---|---|---|---|---|---|---
36.1% |  |  |  |  |  | 40.9%
Structural improvements to operating margin and some one-offs

Group comparable operating margin

- Strong structural margin improvement
- Cost base well managed
- Cost reductions offset by rising R&D investment and incentive accruals

OOIE = Other operating income and expense
Growth and margin expansion in all business groups

Figures shown based on comparable reporting with revenues in EUR million

<table>
<thead>
<tr>
<th>Business Group</th>
<th>Q2 2021</th>
<th>Q2 2020</th>
<th>YoY at CC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mobile Networks</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>2,380</td>
<td>2,424</td>
<td>3%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>40.9%</td>
<td>36.1%</td>
<td></td>
</tr>
<tr>
<td>Operating margin</td>
<td>10.5%</td>
<td>7.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Network Infrastructure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>1,778</td>
<td>1,545</td>
<td>20%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>35.3%</td>
<td>34.8%</td>
<td></td>
</tr>
<tr>
<td>Operating margin</td>
<td>9.1%</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td><strong>Cloud and Network Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>703</td>
<td>718</td>
<td>2%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>35.7%</td>
<td>35.9%</td>
<td></td>
</tr>
<tr>
<td>Operating margin</td>
<td>1.4%</td>
<td>-0.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Nokia Technologies</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Sales</td>
<td>401</td>
<td>341</td>
<td>20%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>99.8%</td>
<td>99.4%</td>
<td></td>
</tr>
<tr>
<td>Operating margin</td>
<td>82.8%</td>
<td>79.8%</td>
<td></td>
</tr>
</tbody>
</table>
Liquidity position remains solid with EUR 3.7bn net cash
Generated positive free cash flow for the fifth quarter in a row

€ billion

<table>
<thead>
<tr>
<th></th>
<th>Operating</th>
<th>Investing</th>
<th>Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 2020</td>
<td>+0.9</td>
<td>-0.1</td>
<td></td>
</tr>
<tr>
<td>Q2 2021</td>
<td>+0.1</td>
<td>-0.1</td>
<td>-0.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Q2 2020</th>
<th>Q2 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted profit</td>
<td>3.7</td>
<td>3.7</td>
</tr>
<tr>
<td>Restructuring and associated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NWC (excluding restructuring)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income taxes and net interest</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>-0.6</td>
<td>-0.1</td>
</tr>
<tr>
<td>Other investing activities, net</td>
<td></td>
<td>+0.1</td>
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<tr>
<td>Lease payments</td>
<td></td>
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</tr>
</tbody>
</table>

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Venture funds continue to deliver good returns

- Revaluations of venture funds impact other operating income
- Typically, 15-20% IRRs at maturity
- Investments can also bring other benefits in licensing or partnerships
- Book value remaining of €760m on our balance sheet

*Chart illustrates the performance in USD since the inception of NGP Capital and certain other key funds which constitute the majority of our venture fund investments.*
### Full Year 2021 Outlook increased

<table>
<thead>
<tr>
<th></th>
<th>Full year 2021</th>
<th>Full year 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong>¹</td>
<td>€21.7 billion to €22.7 billion</td>
<td>Grow faster than the market</td>
</tr>
<tr>
<td></td>
<td>(adjusted from €20.6bn to €21.8bn)</td>
<td></td>
</tr>
<tr>
<td><strong>Comparable operating margin</strong>²</td>
<td>10 to 12% (adjusted from 7 to 10%)</td>
<td>10 to 13%</td>
</tr>
<tr>
<td><strong>Free cash flow</strong>³</td>
<td>Clearly positive (adjusted from positive)</td>
<td>Clearly positive</td>
</tr>
<tr>
<td><strong>Comparable ROIC</strong>²⁴</td>
<td>17 to 21% (adjusted from 10 to 15%)</td>
<td>15 to 20%</td>
</tr>
</tbody>
</table>

¹Assuming actual currency rates for first half 2021 and end of June EUR/USD rate of 1.19 continues in the second half 2021 (this is adjusted from our previous guidance based on the year-end 2020 EUR/USD rate of 1.23)

²Comparable measures exclude intangible asset amortization and other purchase price fair value adjustments, goodwill impairments, restructuring related charges and certain other items affecting comparability. Refer to Note 10, Performance measures, in the Financial information section of the Report for Q2 and Half Year 2021.

³Free cash flow = net cash from/(used in) operating activities - capital expenditures + proceeds from sale of property, plant and equipment and intangible assets - purchase of non-current financial investments + proceeds from sale of non-current financial investments

⁴Comparable ROIC = comparable operating profit after tax, last four quarters / invested capital, average of last five quarters’ ending balances. Refer to Note 10, Performance measures, in the Financial information section of the Report for Q2 and Half Year 2021.