



Driving change:

The need for targets and transition plans
in the ICT sector

Anthony D'Arcy

Director, Sustainability engagement and enablement

May 2024

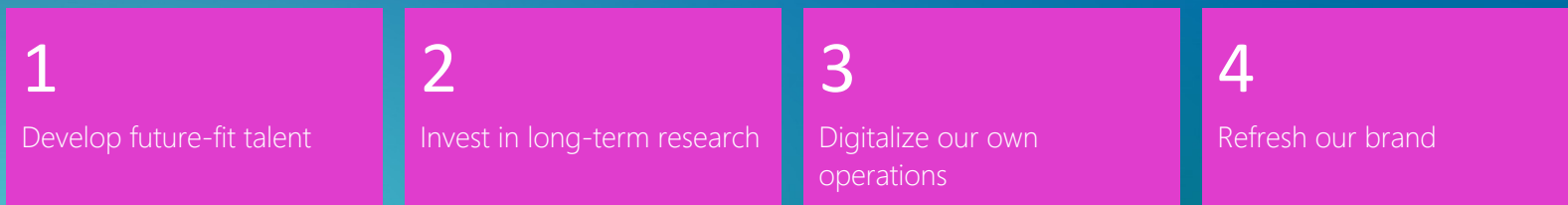
NOKIA

ESG is one of the six pillars of our corporate strategy

Our pillars



Our enablers



Develop ESG into a competitive advantage

Our ESG strategy focuses on five areas to maximize our handprint and minimize our footprint

1. Environment

Minimizing our industry's footprint

2. Industry digitalization

Enabling sustainable growth

3. Bridging the digital divide

Providing inclusive access & digital skills

4. Security and privacy

Protecting the world's critical infrastructure

5. Responsible business

Driving systemic change



NOKIA

Nokia is intent on ensuring all its climate commitments, including its existing 2030 and the new 2040 targets, are aligned with climate science.



Nokia was the first telecoms vendor to have its 2030 Science Based Target (SBT) validated by the SBTi in 2017 and was among the first 100 companies across all sectors to do so.



It recalibrated its near-term targets in 2021 in line with a 1.5°C warming scenario, committing to reduce its greenhouse gas emissions by 50% by 2030 from a 2019 baseline.



To ensure its new 2040 target is also with climate science, it has submitted its net zero letter of commitment to the Science Based Targets initiative (SBTi).



What are the three emission scopes?

Scope 1 emissions

GHG emissions that a company creates directly, for example through its facilities and fleet.

Scope 2 emissions

Indirect GHG emissions, mostly from purchased electricity.

Scope 3 emissions

All the GHG emissions that the organization is indirectly responsible for, across its value chain. For example, buying products from suppliers, through to the use of its products by its customers.



Within your direct control




Outside your direct control



What is net zero?

Net zero refers to a reduction of 90% in greenhouse gas emissions to as close to zero as possible, with a maximum of up to 10% remaining hard-to-abate emissions being neutralized through carbon removals.



Nokia has committed to reaching net zero greenhouse gas emissions, including the decarbonization of Nokia's facilities and car fleet, by 2040.

- This means Nokia will reach net zero ten years earlier, compared its previous 2050 target
- Puts Nokia ahead of the Paris Agreement target of net zero by 2050.



Nokia is also doubling down on its existing 2030 target.

Nokia is now announcing that it will accelerate the decarbonization of its own operations, resulting in a bigger, 83% reduction in Scope 1 and 2 emissions by 2030.

Nokia has also defined a pathway to help it reach net zero emissions by 2040



Product design and innovation

With more than 95% of emissions resulting from products in use, Nokia looks to be the leader in energy efficiency in silicon, software, and systems, providing the networks and operations skills to scale smart energy solutions.



Low-carbon electricity

Nokia is committed to using 100% renewable electricity in its own facilities by 2025 and is working with its supply chain to transition to renewables as countries decarbonize their electricity grids.



Energy and material efficiency

Nokia aims to achieve 95% circularity by 2030 in relation to operational waste (waste from offices, labs, manufacturing, installation and product takeback), driving actions to minimize waste to landfill.



Carbon removals

Nokia is working with its partners and value chain to investigate and support credible solutions for carbon removals to support long-term net zero targets.

Our environmental targets from 2024 onwards

2024

- 85% renewable electricity in our own facilities
- 75% reduction of our facilities' GHG emissions



2025

- 100% renewable electricity in our own facilities
- 65% reduction of scope 1 and 2 GHG emissions, including 85% reduction of our facilities' GHG emissions



2030

- 50% reduction of our total GHG emissions (Scope 1, 2 and 3)
- Final assembly suppliers to reach zero emissions
- 50% reduction in suppliers' GHG emissions
- 73% reduction in logistics' GHG emissions
- 95% circularity rate for waste from our offices, labs, manufacturing, installation and product takeback
- Increase recycled content in mechanical part source materials



2040

- Commitment to SBT to reach Net Zero emissions across value chain



Where to start and how to get there

Tips and tricks

Understand and measure your company's global operational and value chain emissions (Scope 1, 2 and 3).

Involve all business functions in the process. This is NOT a sustainability team exercise. Ensure leadership buy-in.

Identify the major buckets of emissions in your operational and value chain footprint. These are your focus areas.

Agree baseline and set near-term (2030) and long-term (2040/2050) measurable targets across Scopes 1, 2 and 3.

Where possible ensure your targets are tied to latest climate science and can be externally verified.

Document levers that help reduce emissions (renewables, tech innovation, power management, circularity...)

Develop an action plan which includes operational and value chain reduction milestones and potential business model changes.

Consider needed investment and financial plan to achieve the transition and financing of potential innovation.

Ensure a business and financial plan for the residual up to 10% emissions which will need to be removed to net zero.

Collaborate across value chain upstream and downstream to achieve your climate goals. Engage with policymakers (energy).

Build and communicate a clear path to your net zero goal and ensure roadmap is broken into key milestones.

NOKIA

Copyright and confidentiality

The contents of this document are proprietary and confidential property of Nokia. This document is provided subject to confidentiality obligations of the applicable agreement(s).

This document is intended for use by Nokia's customers and collaborators only for the purpose for which this document is submitted by Nokia. No part of this document may be reproduced or made available to the public or to any third party in any form or means without the prior written permission of Nokia. This document is to be used by properly trained professional personnel. Any use of the contents in this document is limited strictly to the use(s) specifically created in the applicable agreement(s) under which the document is submitted. The user of this document may voluntarily provide suggestions, comments or other feedback to Nokia in respect of the contents of this document ("Feedback"). Such Feedback may be used in Nokia products and

related specifications or other documentation. Accordingly, if the user of this document gives Nokia Feedback on the contents of this document, Nokia may freely use, disclose, reproduce, license, distribute and otherwise commercialize the feedback in any Nokia product, technology, service, specification or other documentation.

Nokia operates a policy of ongoing development. Nokia reserves the right to make changes and improvements to any of the products and/or services described in this document or withdraw this document at any time without prior notice.

The contents of this document are provided "as is". Except as required by applicable law, no warranties of any kind, either express or implied, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose, are made in relation to the accuracy, reliability or contents

of this document. NOKIA SHALL NOT BE RESPONSIBLE IN ANY EVENT FOR ERRORS IN THIS DOCUMENT or for any loss of data or income or any special, incidental, consequential, indirect or direct damages howsoever caused, that might arise from the use of this document or any contents of this document.

This document and the product(s) it describes are protected by copyright according to the applicable laws.

Nokia is a registered trademark of Nokia Corporation. Other product and company names mentioned herein may be trademarks or trade names of their respective owners.