



NOKIA CORPORATION

(incorporated as a public limited liability company in the Republic of Finland)

**EUR 5,000,000,000
Euro Medium Term Note Programme**

This Supplementary Prospectus (the **Supplement**) supplements the Base Prospectus dated 27 March 2020 (the **Base Prospectus**) which comprises a base prospectus for the purposes of Article 23 of Regulation (EU) 2017/1129 as amended (the **Prospectus Regulation**), and was prepared in connection with the EUR 5,000,000,000 Euro Medium Term Note Programme established by Nokia Corporation (the **Issuer**). The maximum aggregate principal amount of Notes outstanding at any one time under the Programme will not exceed EUR 5,000,000,000 (as further described in the Base Prospectus).

This Supplement is prepared in order to update the Base Prospectus with certain supplemental information, including the financial statements incorporated by reference herein. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus issued by the Issuer.

The Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the EEA. For these purposes, reference(s) to the EEA include(s) the United Kingdom. The obligation to supplement the Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Supplement (as defined above) and declares that the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

SUPPLEMENTAL INFORMATION

The following documents, which have previously been published or are published simultaneously with this Supplement and have been filed with Euronext Dublin or approved by the Central Bank of Ireland, shall be incorporated in, and form part of, this Supplement:

- (a) the unaudited consolidated interim financial statements of the Issuer, which form part of the Issuer's financial report as at and for the three months ended 31 March 2020 and which can be found at pages 23 to 42 (inclusive) of such financial report (https://www.nokia.com/system/files/2020-04/nokia_results_2020_q1.pdf); and
- (b) the information under the heading "Cost savings program" in the Issuer's financial report for the three months ended 31 March 2020, which can be found on page 13 of such financial report (https://www.nokia.com/system/files/2020-04/nokia_results_2020_q1.pdf).

The information incorporated by reference in paragraph (b) above is not a profit forecast or a profit estimate and has been prepared based on Nokia's internal management accounts. The information has been prepared by and is the responsibility of Nokia's management and has not been reviewed or audited by Nokia's external auditor. While we believe these estimates to be reasonable, the information has not been audited or reviewed in accordance with any generally accepted auditing standards. As such, you should not place undue reliance on it. See "*Forward Looking Statements*" and "*Risk Factors*" in the Base Prospectus for a more complete discussion of certain of the factors that could affect our future performance and results of operations.

Any information contained in the document referred to in this Supplement which is not expressly incorporated by reference in this Supplement is either deemed not relevant for an investor or is otherwise covered elsewhere in this Supplement.

If the document that is incorporated by reference itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the Prospectus Regulation except where such information or other documents are specifically incorporated by reference in this Supplement.

Amendments to the Base Prospectus

The information under the section entitled "*Risk Factors – Factors which are material for the purpose of assessing the risks related to our business*" beginning on page 6 is supplemented by the additional risk factor below to appear at the end of such section:

The COVID-19 outbreak could materially adversely affect our results of operations and financial condition.

The impact of the novel strain of the coronavirus identified in China in late 2019 has grown throughout the world and in March 2020, the World Health Organization declared the recent novel coronavirus (COVID-19) outbreak a pandemic. Governmental authorities have implemented numerous measures attempting to contain and mitigate the effects of the virus, including travel bans and restrictions, quarantines, shelter in place orders and shutdowns. There is significant uncertainty regarding these measures, their potential duration and potential future measures. These measures have adversely affected and/or may further adversely affect Nokia's employees, supply chain, product development, service delivery and other operations. Although we believe that our industry is relatively resilient to the effects of COVID-19 and has not been significantly affected by it until now, customer demand and/or Nokia's capacity to meet customer demand could be further impacted in the future. Any of such events could have a material adverse effect on our results of operations and financial condition.

The impact of COVID-19 on the global economy, financial markets and Nokia has also adversely affected and/or may further adversely affect the value of our financial, tax, pension and other assets. In addition, the spread of COVID-19 has caused Nokia to modify its business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and it may take further actions as may be required by government authorities or that Nokia determines to be necessary to protect its employees. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus. The continued spread of COVID-19 could cause further disruption or delays in our operations.

The degree to which COVID-19 affects Nokia's operations, results, assets and financial condition will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume.

If the risks described above related to the COVID-19 pandemic materialise, our business, financial condition, results of operations and prospects could be adversely affected which could, in turn, affect our ability to fulfil our payment obligations under the Notes, including our obligation to pay interest and principal on the Notes.

The section titled “*Selected Financial Data*” beginning on page 80 of the Base Prospectus is updated with the additional selected financial data for the three months ended 31 March 2020 and 2019, respectively as follows:

The following tables sets forth the reconciliation of EBITDA and EBITDA margin of each segment to the Nokia reported total (Loss)/Profit from continuing operations for the three months ended 31 March 2020 and 2019, respectively:

Q1/20 EUR million	Networks	Nokia Software	Nokia Technologies	Group Common and Other	Eliminations	Total Segments	Unallocated⁽¹⁾	Nokia Total
(unaudited)								
Net sales	3,757	613	347	205	(9)	4,914	(1)	4,913
EBITDA	56	92	298	(151)	0	295	(90)	205
EBITDA-margin	1.5%	15.0%	85.9%	(73.7%)		6.0%		4.2%
Depreciation and amortisation	(140)	(21)	(8)	(14)		(183)	(101)	(285)
Financial income and expenses								(50)
Income tax (expense)/benefit								30
(Loss)/Profit from continuing operations								(100)
Q1/19 EUR million	Networks	Nokia Software	Nokia Technologies	Group Common and Other	Eliminations	Total Segments	Unallocated⁽¹⁾	Nokia Total
(unaudited)								
Net sales	3,944	543	370	220	(20)	5,057	(25)	5,032
EBITDA	(121)	13	310	(88)		114	(235)	(121)
EBITDA-margin	(3.1%)	2.4%	83.8%	(40.0%)		2.3%		(2.4%)
Depreciation and amortisation	(138)	(20)	(8)	(13)		(178)	(230)	(408)
Financial income and expenses								(55)
Income tax (expense)/benefit								142
(Loss)/Profit from continuing operations								(442)

(1) The column titled “Unallocated” corresponds to the column titled “Non-IFRS exclusions” in Note 3 Segment information in the unaudited consolidated interim financial statements incorporated by reference.

The information under the heading "*Description of Nokia*" beginning on page 85 of the Base Prospectus is updated with the new subheading and information to appear at the end of such section as follows:

COVID-19

The COVID-19 crisis has made vividly clear the critical importance of connectivity to keep society functioning. We feel a sense of duty to our customers and the communities they serve to keep vital communication networks running and accommodate expanded needs as usage reaches unprecedented levels.

We are continuing to advance our 5G roadmap and product evolution, as planned, and our COVID-19 mitigation actions in R&D have been very successful. We believe we remain on track with our plans to drive progressive improvement over the course of 2020.

Health and safety

Naturally, Nokia's first focus during the COVID-19 crisis is to our employees. We are working around the clock to keep our people safe. We have put in place strict protocols for Nokia facilities and provided clear advice to our employees about how they can mitigate the risks of COVID-19 in situations where they have to go about critical work.

To date we have taken a range of steps, including banning international travel for Nokia employees, except for strictly-defined 'critical' reasons; closing all our facilities to all visitors, with the exception of people engaged in essential maintenance and services, and asking our staff to work from home wherever possible. We started implementing these measures in some regions in January already and have updated guidance as the situation has developed.

Other actions include enhanced building hygiene measures across our facilities, and clear advice on how staff can mitigate risks by maintaining good personal hygiene. We are also providing guidance on how staff can maintain a healthy work-life balance and look after their physical and mental well-being.

To protect the health and safety of our employees, shareholders and other stakeholders, Nokia's Board of Directors resolved to cancel the Annual General Meeting initially scheduled to be held on 8 April 2020. The Board has subsequently convened a new AGM under a temporary Finnish COVID-19 legislation to be held on 27 May 2020 without shareholders attending the meeting in person.

Supporting the essential services our customers provide

The products and services that we provide have never been more critical in enabling the world to continue to function in an orderly way. We are providing the capacity and continuity to vital medical, social and financial systems that are experiencing extreme stress. We continue to work closely with all our customers, to ensure that the changing needs and requirements at this time are well understood and that we respond appropriately to them.

Telecom infrastructure is an essential service in most jurisdictions. Most networks see 30 to 45 per cent. traffic volume growth over a year, but in just one month – from mid-February to mid-March – Nokia saw a 20 to 40 per cent. peak increase in lockdown-impacted regions through our operator customer base. We are working with our customers to provide real-time and granular information about their networks and enabling them to meet increases in demand and expand capacity where needed.

Nokia has a global manufacturing footprint designed for optimised global supply, and to mitigate against risks such as local disruptive events, transportation capacity problems, and political risks. Our supply network consists of 25 factories around the globe and six hubs for customer fulfilment. As a result, we are not dependent on one location or entity. We have also established a global command centre to manage the supply chain challenges arising from the outbreak; and we are ready to activate relevant business continuity plans should the situation in any part of our organisation require this.

Doing our part to fight the pandemic

We also feel another sense of duty – to the societies where Nokia operates. As a global company, we have a duty to be part of the global fight against this pandemic. Therefore, Nokia has launched a Coronavirus Global Donation Fund.

This fund is intended to support charities, hospitals, health clinics, and other frontline non-governmental organisations who are leading the fight against COVID-19 and trying to mitigate its effect on communities. Financial assistance will be targeted to where it is most needed in countries across the world. Country-specific donations will be made to grassroots organisations from healthcare to childcare, to elderly rehabilitation, to community support services.

These actions demonstrate our strong commitment to supporting global efforts to end the pandemic and overcoming the disruption and challenges we currently face.

Environment, Social and Corporate Governance

We revisited our material sustainability topics at the end of 2019 and consolidated from 20 to 13 material sustainability topics. Nokia's key sustainability topics were identified based on megatrends, stakeholder requests and requested compliance. Topics are prioritised based on: "Impact on Business success" (evaluated on revenue, risk (ERM system and discussion with respective Nokia representatives), cost & reputation and brand) and "Impact on Sustainable Development" (evaluated against the United Nations' sustainable development goals). Our focus on sustainability topics include connecting people and things, our direct economic impact, climate, ethical business practices and corporate governance, privacy and security and employee engagement, diversity and inclusion. Our other sustainability topics include prevention of environmental pollution in operations, sustainable product materials and e-waste, sustainability related products and services, health and safety, preventing the misuse of our technology, responsible sourcing and labour practices in our own operations.

We believe that growing our business will improve people's lives. To do that, we need to ensure we take into account three pillars into everything we do - climate, integrity and high performance. Climate will have an impact on business due to impacts on society and communities, mitigation and adaptation solution development and market reactions. Integrity reflects the level of respect we have on security and ethics. High performance culture includes talent attraction and high performing teams to enable things to happen. We aim to ensure we continuously develop our existing sustainability-related housekeeping practices as these are important necessities in order to comply with stakeholder requests and increased demand for efficiency and transparency.

In 2019, along with 86 other global companies we committed to recalibrate our existing science based targets in line with the latest science to limit warming to 1.5° C. We set our original science based targets in 2017 as one of the first vendors to do so. In 2019, the networks we modernised for our customers brought on average energy savings of around 46% compared to the networks we did not modernise. We target to reach 2 million beneficiaries through our community investment programs by 2025 (with 2016 as the baseline). We are doing well with 1,633,500 individuals benefitting to date since 2016. We set our science-based targets to decrease GHG emissions by 2030 from our own operations by 41% and from products in use by 75%, compared to the 2014 baseline. In 2019, as part of our membership of the Global Network Initiative (GNI) we underwent our first Human Rights Assessment carried out by and independent external assessor. The GNI board found we had made good faith efforts over time to implement the GNI Principles on freedom of expression and privacy. We target to help our customers connect the next billion measured by number of subscriptions in Nokia radio customers' networks and by number of fixed network lines shipped to our customers. At the end of 2019, the radio networks we delivered to our customers served around 6.4 billion subscriptions worldwide, compared to around 5.5 billion at the end of 2016.

Our systematic work to address sustainability has been recognised to be in leader-level by several stakeholders, be them investors, customers and peers. In January 2020, we were again ranked at leadership level by CDP for our work on and disclosure of climate change data in 2019. In February 2020, we were named for the third consecutive year (2018-2020), and the fourth time overall as one of the World's Most Ethical Companies by Ethisphere and one of only six honorees in the telecommunications industry. We have again been recognised as a global leader for engaging with our suppliers on climate change, being awarded a position on the Supplier Engagement Leaderboard by CDP for supply chain. In 2019, we received a rating of AA (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. Bloomberg has given Nokia a strong score in its Gender Equality Index (GEI) for 2020 – the second time in a row that we are included in this index. In January 2020, FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirmed that Nokia has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. In October 2019, we were reconfirmed as a constituent of both the Ethibel Sustainability Indices (ESI) for Excellence Europe and Excellence Global for our corporate sustainability efforts. In September 2019, we were again in the top 1% of suppliers assessed by EcoVadis, achieving particularly high scores in environment and sustainable procurement.

We have set targets for the development of gender balance and employee engagement. Our gender balance target is to increase the number of women in leadership and we are actively finding ways to accelerate our progress in this area. For employee engagement we expect to have results available after Q2 2020.

In 2019, Nokia refinanced its revolving credit facility with a new sustainability linked EUR 1.5 billion facility.

The information under the heading "*Recent Developments*" on page 86 of the Base Prospectus is updated with the additional information as follows:

As at 30 April 2020, we estimate that COVID-19 had an approximately EUR 200 million negative impact on our Q1 2020 net sales, primarily due to supply chain challenges; with these net sales being expected to be shifted to future periods, rather than being lost.

We have adjusted our previously disclosed outlook for full-year 2020 to reflect the increased risks and uncertainty presented by the ongoing COVID-19 situation. We expect the majority of the COVID-19 impact to be in Q2 2020 and believe that our industry is fairly resilient to the crisis, although not immune.

As at 5 May 2020, Nokia announced that Kathrin Buvac, President of Nokia Enterprise, has decided to leave the company at the end of May to take a leadership position at a global technology company. At that time, she will also step down from her position on the company's Group Leadership Team. Buvac will be succeeded by Raghav Sahgal, currently Senior Vice President of Nokia Software with responsibility for global sales and market services. Sahgal will formally assume his new position and join the Group Leadership Team on 1 June 2020.

The first sentence in the final paragraph appearing on page 87 under the heading "*Description of Nokia—Nokia's strategy: Rebalancing for Growth*" is updated and replaced as follows:

As at 31 March 2020, Nokia's total cash and current financial investments was EUR 6.3 billion and its net cash and current financial investments was EUR 1.3 billion. Nokia targets a positive recurring cash flow generation in 2020.

The information in the fourth sentence in the penultimate paragraph on page 95 of the Base Prospectus under the heading "*Patents and Licenses*" is updated and replaced as follows:

By 31 March 2020, we had 70 commercial 5G deals and launched 21 live 5G networks with our customers.

The information under the heading "*Patents and Licenses*" on page 95 of the Base Prospectus is updated with the additional information to appear at the end of the second paragraph as follows:

As at 31 December 2019, over 3,000 of our patent families were deemed essential to 5G and over 3,400 of our patent licenses were in cellular SEP families. Our breakdown of patent families was 61% connectivity, 9% fixed and optical networks, 19% services, applications and multimedia and 11% emerging technologies and hardware.

The information under the heading "Group Leadership Team" beginning on page 102 of the Base Prospectus is updated with the additional information to appear at the end of the section as follows:

Following the departure of Kathrin Buvac at the end of May 2020, Raghav Sahgal will join the Group Leadership Team.

Raghav Sahgal, b. 1962

Appointed as President of Nokia Enterprise and Group Leadership Team member. Expected to start in his role on 1 June 2020.

Master of Science degree in Computer Systems Management from the University of Maryland, United States. Bachelor of Science degree in Computer Engineering from Tulane University, New Orleans, United States. Executive Business Certificate in General Management from Harvard University, United States.

Senior Vice President, Nokia Software (2017 – Present). President, NICE Ltd Asia Pacific and the Middle East (2010–2017). Advisory Board Member, Orga Systems (2010–2014). Vice President, Communications Business Unit, Asia Pacific & Japan, Oracle

(2008–2010). Chief Business Officer, Comverse (2005–2006). Executive Vice President, Asia Pacific, CSG (2002–2005). Vice President, Software Products Group Asia Pacific, Lucent Technologies (2000–2002).

Item 3 "*Significant/Material Change*" under the heading "*General Information*" on page 115 of the Base Prospectus is removed in its entirety and updated and replaced as follows:

There has been no significant change in the financial performance or financial position of Nokia taken as a whole since 31 March 2020 and there has been no material adverse change in the financial position or prospects of Nokia since 31 December 2019.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.