



BUILDING NEW CAPACITY AND A HIGH-PERFORMING SUPPLY CHAIN

to support our growth ambition

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**nokian[®]
TYRES**

OUR NUMBER ONE PRIORITY IS BUILDING NEW CAPACITY

Building capacity: Finland, US and Romania

Investing in our supply chain to become more resilient

Retaining our sustainability leadership

ROMANIA IN THE SPOTLIGHT: EUR 650 MILLION INVESTMENT IN A NEW WORLD-CLASS TIRE FACTORY

CAPACITY

6M tires
in the first phase

Possibility to expand
further

PRODUCTS

Capability to produce
winter, all-season and
summer tires

PRODUCTION

Designed for high
productivity and low cost
with sufficient flexibility
for Central European
product mix, e.g. larger
rim size and SUV tires

EMPLOYMENT

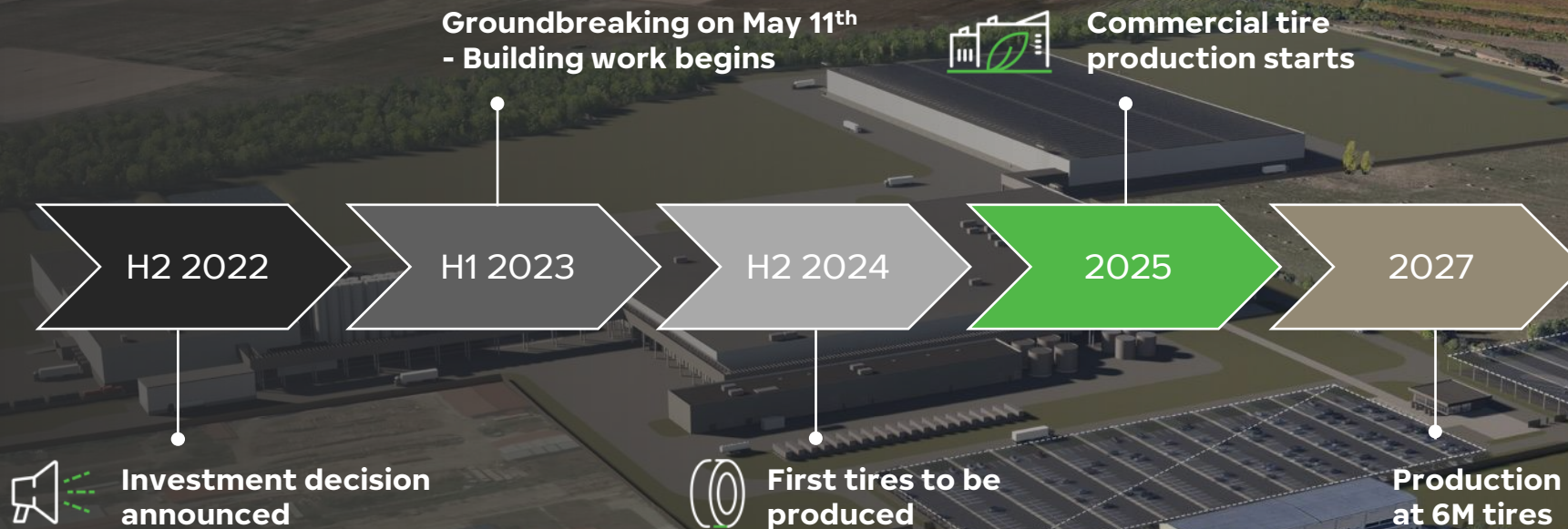
500+ people



THE FIRST ZERO CO₂ EMISSION TIRE FACTORY

- 1) Electricity 100% from renewable sources
- 2) Steam generation 100% without fossil fuels
- 3) Energy efficient process and building solutions (LEED Certified)

COMMERCIAL TIRE PRODUCTION IS SCHEDULED TO START IN EARLY 2025



THE FINNISH FACTORY CONTINUES TO PLAY A KEY ROLE IN SERVING THE IMPORTANT NORDIC MARKET

**The leading car
tire manufacturer
in the Nordics,**
supporting North
America and
Central Europe

**Capacity
expansion**
in passenger car
tire production
ongoing, to be
finalized in 2023

**Main hub for
R&D**
and new
technology
implementation

**Recent land
and property
acquisitions**
secure future
development and
expansion
opportunities

THE US FACTORY EXPECTED TO RUN AT FULL CAPACITY IN 2024

Investment completion

- Machine installations ongoing to reach the full capacity of up to 4 million tires in 2024
- ~125 new jobs created

Expanding product portfolio

- All-season and all-weather tires
- Light truck tire production starting, focus on large weight sizes

Sustainability benchmark

- Leed Gold and Leed Silver certified facilities
- On-site solar power capacity of 3MW

CONTRACT MANUFACTURING IS AN IMPORTANT PART OF OUR FUTURE PRODUCT PORTFOLIO

Ensuring tire availability in relevant markets, especially in Central Europe

We will work with 2-3 contract manufacturing partners to ensure resilience in supply

- First agreements signed, total volume ~1.5 million in 2023

We use rigorous evaluation criteria in contract manufacturing evaluations

- Performance and quality requirements are high and are strictly followed by contract manufacturing partners and enforced by Nokian Tyres
- Partner sites audited according to Nokian Tyres' quality, safety and sustainability requirements

WE ARE STRENGTHENING SUPPLY CHAIN RESILIENCE THROUGH DIGITAL TRANSFORMATION...



Redesigning key processes and operating principles



Implementing a common IT platform to drive performance, transparency and scalability



Developing digital operations and driving improvements by utilizing data efficiently

CUSTOMER
CENTRIC,
RESPONSIVE
AND
RESILIENT
SUPPLY CHAIN

... AND THROUGH RESHAPING TO SUPPORT OUR GO-TO-MARKET STRATEGY AND IMPROVE COLLABORATION

Aligning logistics networks to be more responsive to customer requirements

Building strong collaboration with suppliers and customers

Harmonizing ways of working to improve cross-functional collaboration and accelerate customer experience



Resulting in improved cost efficiency in operations and lower working capital requirements

SUSTAINABILITY IS INTEGRAL TO OUR BUSINESS

We were the first in our industry...



TO GIVE UP
THE USE OF
HARMFUL OILS IN
TIRE COMPOUNDS



TO BRING A CLASS A
ROLLING
RESISTANCE
WINTER TIRE TO
MARKET



TO HAVE OUR
SCIENCE-BASED
TARGETS
OFFICIALLY
APPROVED



TO BUILD A
ZERO
CO₂ EMISSION
FACTORY

nokian
TYRES

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA

Sustainability Award
Bronze Class 2022
S&P Global

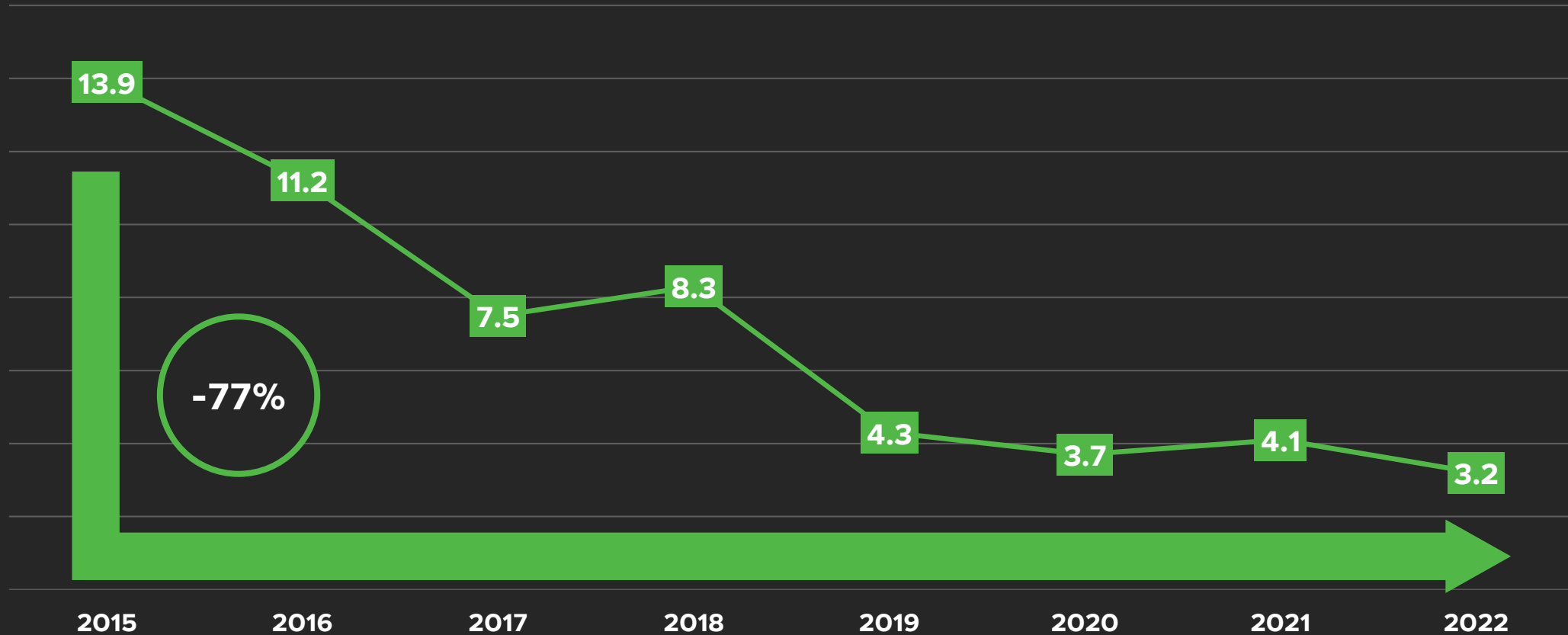


OMXSUSTAIN
NASDAQ OMX
OMX GES SUSTAINABILITY FINLAND



WE ARE CONTINUING TO WORK SUCCESSFULLY TOWARDS AN ACCIDENT-FREE WORKPLACE

Safety target: Decreasing accident frequency (LTIF) to 1.5 by 2025



*Lost time incident frequency, LTIF1
(Number of lost time accidents / million working hours)*

NOKIAN TYRES GREEN STEP IS OUR MOST SUSTAINABLE CONCEPT TIRE TO DATE

Safe and eco-friendly tires target: Increasing the share of recycled or renewable raw materials in tires

GREEN STEP
CONCEPT TIRE

93%

of materials recycled
or renewable



By the year
2030,

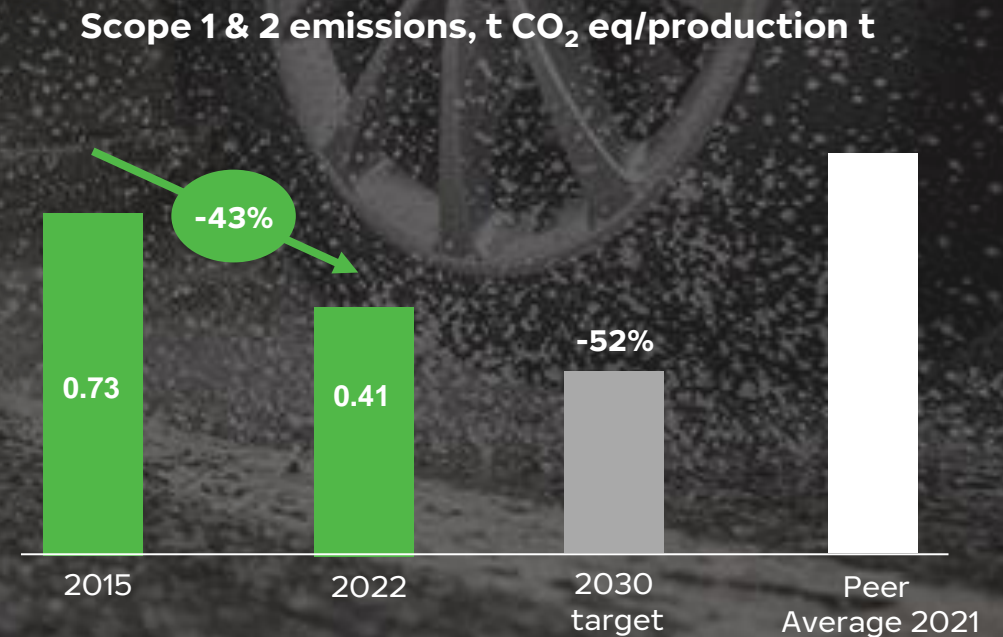
50%

of all the raw
materials used in
our tires will be
recycled or
renewable

WE ARE RAISING OUR CLIMATE AMBITION FURTHER AND UPGRADING OUR SCIENCE-BASED TARGETS

Climate target: Reducing CO₂ emissions from tire production by more than 50% by 2030*

- We've made a science-based commitment to reach net zero greenhouse gas emissions by 2050
- Our current climate target (over 50% reduction) will be upgraded to be in line with limiting global warming to 1.5°C. Our tightened targets are currently under validation by the Science Based Targets initiative
- Emissions from our own production (scope 1 and 2) are already reduced to an industry leading level in relation to turnover and production tons



* compared to 2015 base year

A close-up, low-angle shot of a car's front wheel. The wheel features a silver, multi-spoke alloy rim. The tire is a dark, textured rubber with the 'NOKIAN TYRES' logo embossed on the sidewall. The car's body is partially visible in the background, showing a metallic finish. The overall lighting is dramatic, with strong highlights and shadows.

BUILDING NEW CAPACITY AND A HIGH-PERFORMING SUPPLY CHAIN TO SUPPORT OUR GROWTH AMBITION

KEY PRIORITIES

- Expand diversified manufacturing footprint through new own factory and strong external partnerships
- Enhance supply chain resilience through digital transformation to improve cost efficiency and reduce working capital requirements
- Maintain sustainability leadership and continue to reduce our CO₂ footprint

The background of the advertisement is a scenic landscape. On the left, the side of a dark-colored car is visible, with its rear wheel and side mirror in the foreground. The car's surface reflects the surrounding environment, including a body of water and a forested hill. In the background, a man and a woman are standing on a gravel path, looking at a bicycle. The sky is overcast with soft, diffused light. The overall mood is serene and suggests a lifestyle of outdoor recreation.

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TYRES