

AMBITIOUS LEAP FORWARD

EUR 2 billion in net sales

BofA European Autos and Future Car Conference
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JUKKA MOISIO
PRESIDENT & CEO

nokian[®]
TYRES

WE ARE WELL POSITIONED FOR ORGANIC GROWTH AND STRONG PERFORMANCE

Our large investment
phase is completed
- **It's time to deliver!**

**We are ready
to grow faster**
- ahead of the market

**Continuous
improvement ensures
strong performance**

MID-TERM AMBITION: EUR 2 BILLION IN NET SALES

OUR SALES AMBITION WILL BE DELIVERED BY BUSINESS AREAS AND UNITS...



NET SALES
**EUR
2 billion**



BUSINESS AREA AND UNIT ROLES

NORDICS & VIANOR	Strengthen #1 position
RUSSIA	Strengthen #1 position
CENTRAL EUROPE	Grow sales by ~50%
NORTH AMERICA	Grow sales by ~100%
HEAVY TYRES	Grow sales by ~50%

CORNERSTONES OF NOKIAN TYRES SUCCESS



**SAFEST TIRES
FOR ALL
CONDITIONS**



**RESPONSIVE
AND EFFECTIVE
SUPPLY CHAIN**



**CONSUMER-
TRUSTED
PREMIUM BRAND**



**LEADER IN
SUSTAINABILITY**



**NOKIAN TYRES
TEAM**

...AND THIS IS HOW WE DO IT

**GREATER
FOCUS ON
MARKETS,
CHANNELS
AND
CUSTOMERS**

**NORDICS &
VIANOR**

STRENGTHEN #1 POSITION

- Maintain high profitability through a strong brand and leading products
- Market share and profitability supported by Vianor

RUSSIA

STRENGTHEN #1 POSITION

- Optimized product range and pricing
- Leverage strong multi-channel distribution and close customer partnerships

**CENTRAL
EUROPE**

GROW SALES BY ~50%

- Capture high-value growth in the most profitable segments
- Expand geographical market presence and win in new channels
- Sharpen go-to-market and grow brand awareness

**NORTH
AMERICA**

GROW SALES BY ~100%

- Ensure snowbelt success and targeted growth in all-season
- Develop market relevant product offering
- Continue to build distribution network

**HEAVY
TYRES**

GROW SALES BY ~50%

- Grow in premium segments
- Further strengthen position in forestry
- Expand in agriculture and on-road



CORNERSTONES
FOR OUR SUCCESS

nokian[®]
TYRES

WE HAVE LAUNCHED A RECORD NUMBER OF NEW PRODUCTS IN 2020-2021 - AND THIS WILL CONTINUE

Examples



Nokian Tyres One HT



Nokian Snowproof P



Nokian Seasonproof
Nokian Seasonproof SUV



Nokian Hakka Green 3



Nokian Tyres One



Nokian Nordman 8
Nokian Nordman 8 SUV



Nokian Ground Kare
Semi-Slick

2020

2021



Nokian Ground King



Nokian Tyres Intuitu



Nokian Nordman S2
Nokian Nordman SZ2



Nokian Hakka Van



Nokian Hakkapeliitta 10
Nokian Hakkapeliitta 10 SUV
Nokian Hakkapeliitta 10 EV
Nokian Hakkapeliitta 10 P



Nokian Seasonproof C
Nokian Snowproof C



Nokian Hakka Truck
Trailer

NEW PRODUCTS AS GROWTH DRIVERS

NOKIAN HAKKAPELIITTA 10

- **Our flagship winter range available to consumers as of fall 2021**
- **Next-generation safety for passenger cars, SUVs, hybrids and EVs**
 - Superior winter grip
 - Comfort and reduced noise level
 - Better on-road stability
 - SilentDrive™ technology
- **Comprehensive size selection: +140 products**



WE HAVE THE CAPACITY FOR OUR GROWTH AMBITION

Upside potential available in factories

US

STATE-OF-THE-ART,
BASED ON BEST PRACTICES



Passenger car tire capacity **1M** tires in 2021, progressive growth to **4M** in 2024, plan in implementation.

FINLAND

STRONG ROLE IN R&D,
FLEXIBLE CAPACITY UTILIZATION



Passenger car tire capacity **5M** tires, productivity improvement program ongoing. Heavy tires capacity increasing to **32Mkg** by end 2023 (50% up from 2018).

RUSSIA

ONE OF THE MOST EFFICIENT
IN THE WORLD



Passenger car tire capacity **17M** tires.



WE WILL STRENGTHEN OUR PASSENGER CAR TYRES DISTRIBUTION NETWORK

NORTH AMERICA

- Develop distribution through selected wholesale partners
- Go direct with large retail accounts

CENTRAL EUROPE

- Expand multi-channel distribution with retail and online in key markets
- Piloting on the fleet business opportunity

NORDICS

- Good presence in all channels, sharper focus on direct sales channels
- Nordics market share and profitability supported by Vianor

RUSSIA

- Build on strong multi-channel distribution and close customer partnerships

HEAVY TYRES

We will strengthen distribution in Central Europe and North America to drive regional growth



WE WILL FURTHER REINFORCE OUR PREMIUM BRAND ACROSS THE REGIONS

Getting closer to consumer and strengthening loyalty

Providing strong sell-out support

Building digital solutions and seamless experience in omnichannel world



SUSTAINABILITY IS IMPORTANT FOR US AND WE HAVE AMBITIOUS NEW TARGETS FOR 2021–2025

MAIN TARGETS

WHAT THIS MEANS IN PRACTICE

Examples of targets

1 Securing safer and better work

Decreasing accident frequency (LTIF) yearly by 20%

2 Bringing new environmental and safety innovations to products

Increasing the share of either recycled or renewable raw materials in tires to 50% by 2030

3 Reducing CO₂ emissions in line with our four Science Based Targets

Reducing CO₂ emissions from both raw materials and tires by 25% between 2018–2030

4 Auditing all significant high-risk suppliers

Sustainability auditing 100% of critical active suppliers by 2025

WE ARE PROUD OF OUR ACHIEVEMENTS TO DATE

-73%

**LOST TIME
INJURIES**

(since 2015)

-8.5%

**LOWER ROLLING
RESISTANCE**

(since 2013)

-25%

**CO₂ EMISSIONS
FROM PRODUCTION**

(since 2015)

100%

**PRODUCTION
WASTE RECYCLED
IN FINLAND,
99% IN RUSSIA
AND THE US**

90%

**SHARE OF
MAJOR RUBBER
PROCESSOR
PLANTS AUDITED**



A woman with blonde hair, wearing a black coat, is smiling and shaking hands with a man in a brown coat. They are standing in front of a modern building with large glass windows. A dark car is visible in the foreground, reflecting the scene. The text "WE HAVE UPDATED FINANCIAL TARGETS" is overlaid on the image. A green horizontal line is positioned to the left of the word "FINANCIAL".

WE HAVE UPDATED
FINANCIAL TARGETS

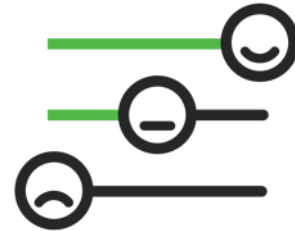
UPDATED FINANCIAL TARGETS SUPPORT EUR 2 BILLION AMBITION

**GROWING
FASTER THAN
THE MARKET**



Net sales
EUR 2 billion

**HIGH RETURNS &
PROFITABILITY**



Segments Operating Profit
& Segments ROCE
at the level of 20%*

Asset velocity ~ 1,0

**GROWING
ORDINARY
DIVIDEND**



>50%
of net earnings

*Using constant currency rates of H1/2021
and key factor being Russian ruble

SOLID PROGRESS IN H1/2021 TOWARDS OUR MID-TERM TARGETS

EUR million	1-6 /21	1-6 /20	Change	CC* Change	2020	LTM
Net sales	758.0	550.5	37.7%	41.5%	1,313.8	1,521.3
Segments operating profit	139.9	40.8			190.2	289.3
Segments operating profit %	18.5%	7.4%			14.5%	19.0%
Segments EPS, EUR	0.80	0.16			1.04	
Segments ROCE, %**	13.9%	10.6%			9.3%	
Equity ratio, %	66.1%	63.3%			65.3%	
Cash flow from operating activities	-15.1	-13.6			422.4	
Gearing, %	9.4%	16.3%			-1.1%	
Interest-bearing net debt	140.0	254.1			-17.2	
Capital expenditure	39.3	87.5			149.9	101.7

* Comparable currencies

** Rolling 12 months

BALANCED CAPITAL ALLOCATION FOR LONG-TERM SHAREHOLDER VALUE

1 ORGANIC GROWTH

2 DIVIDEND

3 M & A

4 SHARE BUYBACKS



GUIDANCE FOR 2021



In 2021, Nokian Tyres' net sales with comparable currencies and segments operating profit are expected to grow significantly.

The global car and tire demand is expected to pick up, but the COVID-19 pandemic continues to cause uncertainties for the development.