

A woman with long brown hair, wearing a green jacket and white pants, is walking away from the camera towards the right. To her right is the rear side of a silver car. The scene is set against a sunset sky with soft orange and blue tones. The car's rear wheel and taillight are visible. The overall mood is serene and modern.

nokian[®]
TYRES

**NON-FINANCIAL INFORMATION
STATEMENT 2022**

NON-FINANCIAL INFORMATION STATEMENT 2022

Nokian Tyres develops and manufactures premium tires for consumers and customers who value safety, sustainability, and innovative products. Sustainability is at the core of Nokian Tyres' business and one of the five cornerstones of the company's strategy.

Nokian Tyres is a supporting member of the United Nations Global Compact (UNGC) initiative and is committed to the Sustainable Development Goals (SDG's) set by the UN.

MANAGING NON-FINANCIAL MATTERS AT NOKIAN TYRES

The company's sustainability activities are led by SVP, Supply Operations, who is a member of the Group's Management Team. The Group's Sustainability Steering Group supervises and monitors the sustainability work within the Group and comprises of senior representatives from Supply Chain, Products & Innovations, Finance, Human Resources and Communications. The Group's Greenhouse Gas (GHG) Steering Group supervises and monitors the progress in reducing greenhouse gas emissions within the Group. The duties of all supervisors include day-to-day leadership of sustainability.

Targets, milestones, development items, and other key topics are discussed by the Management Team at least twice a year, and at least once a year by the Board of Directors. The VP, Quality & Sustainability, shares knowledge and updates to the Board of Directors about the Company's impacts.

Nokian Tyres' business is guided by the ethical principles presented in the Board-approved [Code of Conduct](#). The document specifies the principles for Nokian Tyres' business, including instructions for various matters related to ethics and the anti-bribery guidelines. Nokian Tyres does not condone any form of bribery within the company's operations.

When reporting a suspected misuse or violation, an employee is advised to contact either his/her supervisor, Internal Audit, Legal & Compliance, or the HR unit. Misconducts can also be reported by sending an email to whistleblow@nokiantyres.com or via regular mail. Internal auditor reports suspected misuses and violations to the Board's Audit Committee.

The company requires that all its Sustainability Critical suppliers adhere to Nokian Tyres' [Supplier Code of Conduct](#). All raw material suppliers must, at a minimum, have an ISO 9001 certified quality management system in place. Nokian Tyres prefers suppliers with an ISO 14001 certified environmental management system.






The risk management policy adopted by Nokian Tyres' Board of Directors supports achieving the company's strategic goals and ensuring business continuity. Read more about the company's risk management in the Financial Statement under Significant Risks and Uncertainties and in the Corporate Governance Statement.

MANAGING SUSTAINABILITY AT NOKIAN TYRES



GUIDING PRINCIPLES FOR NOKIAN TYRES' SUSTAINABILITY

Sustainability is a part of our company's culture, strategy and goals. The graph below describes the areas of sustainability in the company, our guiding principles, and the most important standards and policies that guide our work.

AREAS OF SUSTAINABILITY				
				
PRODUCTS / R&D	PEOPLE	ECONOMY	ENVIRONMENT	PROCUREMENT
We develop and manufacture ecofriendly, safe and high-quality tires that reach their destination safely even under demanding conditions.	We are committed to acting in the manner required by the UN's Guiding Principles for Business and Human Rights as well as OECD's Guiding Principles on Labour and Human Rights, and to following the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. We respect human rights and treat all individuals equally.	Through profitable growth, we enable the further development of our operations and ensure financial security, work and well-being for our stakeholders.	We consider the product's entire life cycle and all of its functions in terms of environmental responsibility and are committed to acting in a way that does not harm the environment or people. We aim to show leadership in actions against climate change.	We are committed to sustainable procurement and further developing sustainability in our supply chain.
ESSENTIAL STANDARDS, GROUP POLICIES AND PROCEDURES RELATED TO SUSTAINABILITY				
Tire/vehicle safety regulations (UN tire regulations), various tire labelling (consumer information) regulations and standards (EU Tyre Labeling regulation), chemical regulation, UN Global Compact, Nokian Tyres tire testing policy.	ISO 45001, UN Global Compact, Policies and procedures related to safety, well-being, hiring, traveling, induction, people reviews and competence development, human rights and equality.	Stock exchange rules, IFRS, UN Global Compact, Corporate Governance, risk management, Know Your Counterparty, Tax Policy.	ISO 14001, Responsible Care program, Science Based Targets, UN Global Compact, Environmental Management, Chemical Safety Management.	ISO 9001, ISO 14001, UN Global Compact, Procurement policy, Supplier Code of Conduct, Sustainable Natural Rubber Policy.
LOCAL GUIDELINES AND PROCEDURES				

NOKIAN TYRES' MATERIAL TOPICS

Through continued focus on sustainability at Nokian Tyres, the company is committed to minimizing its negative impacts and maximizing its positive impacts on the economy, environment, and people. An essential part of driving this positive change is understanding how Nokian Tyres' stakeholders view sustainability and what sustainability topics are relevant for society and our business. This is done by conducting materiality assessments every three years. The assessments form a basis for sustainability at Nokian Tyres.

The VP, Quality & Sustainability, presents the data from the material assessment to the Group Management Team and to the Board. The Board reviews and approves the

Non-Financial Information Statement, the topics of which are based on the material assessment.

The company conducted a comprehensive materiality assessment in 2021. As a result, the following sustainability topics were considered material to Nokian Tyres' operations:

1. Sustainable raw materials
2. Actions to mitigate climate change
3. Safety and well-being at Nokian Tyres
4. Promoting human rights in all operations
5. Safety properties of tires

SUSTAINABILITY TARGETS

In 2021, Nokian Tyres redefined its sustainability targets. They are presented on the company’s website. The chart describes selected five key targets, with respective KPIs and results for 2022.

Area	Target	KPI	Progress in 2022
Safe and eco-friendly tires: increasing the share of sustainable materials in tires	Increase the share of recycled or renewable raw materials in tires to 50% by 2030	Report annual improvement	One new recycled raw material taken into production use
Climate: reducing CO ₂ emissions in line with our four Science Based Targets	Reducing CO ₂ emissions from tire production (scope 1+2) by more than 50% by 2030, base year 2015	Report annual improvement	Figures available in the Corporate Sustainability Report in spring 2023
Safety: securing safer and better work	Accident frequency LTIF: Decrease from 8.3 (2018) to 1.5 by 2025	20% annual improvement in LTIF compared to the previous year	Positive development. LTIF decreased from 4.1 to 3.2
Human rights: auditing all significant high-risk suppliers	100% of significant high-risk suppliers audited by 2025	Annual increase in the share of audited high-risk suppliers	83% audited (64% in 2021)
Personnel well-being: developing human rights policies	Developing human rights policies	Report annual improvement in sentiments about equal opportunities in the personnel survey, base year 2021	Score on equality was 66 on a scale of 0–100 (65 in 2021)*

*both figures exclude BA Russia and Asia

NOKIAN TYRES AS A PART OF SOCIETY

IMPACTS: Through sustainable business practices and financial success, Nokian Tyres offers security, work, and well-being for its personnel and contributes to the well-being of local communities.

Nokian Tyres’ objective is to create value for its various stakeholders, such as consumers, customers, personnel, and shareholders. Nokian Tyres wants to be a good corporate citizen wherever it operates.

Nokian Tyres’ approach to philanthropy mirrors its purpose, entrepreneurial and inventive company culture, and sustainable way of doing business. The company does not support any governmental, political, or religious entities. The company offers resources to projects based on the Nokian Tyres’ Philanthropy Approach defined in 2020.

In 2022, Nokian Tyres continued to support the traffic safety education for local school children in Nokia, Finland, and donated books for safety education. The company also offered financial and other support for our Ukrainian employees and donated to humanitarian efforts in Ukraine. Vianor supported Save the Children, an international advocate of children’s rights.

In the US, the company has donations committees in Dayton, Nashville, and Colchester. In 2022, the Dayton committee gave two college scholarships to high school graduates in order to support educational efforts, and also participated in nine other charity projects. In partnership with Powdr Ski Resorts, the company educated guests and the public about the importance of winter driving safety, and supported One-Tree-Planted, a non-profit organization, and planted 50,000 trees in areas of the United States impacted by deforestation.

CLIMATE AND THE ENVIRONMENT

IMPACTS: Actions to mitigate climate change and reduce emissions, ensuring environmental and chemical safety

Environmental and chemical safety and the coordination of sustainability are the responsibility of the Quality and Sustainability department. The company promotes environmental and chemical safety through risk management, continuous improvement of processes, and new investments. When developing activities, the company applies best practices and advanced solutions while taking into account human factors and financial impacts.

All factories are certified pursuant to the international ISO 14001 environmental management system standard and the ISO 9001 quality system standard. The company has also held IATF 16949 approval for the automotive industry since 2013.

The company has defined its climate-related risks and opportunities according to the recommendations of Task Force on Climate-Related Financial Disclosures (TCFD). In 2022, the risks and opportunities were reassessed.

Climate-related risks

Risk group	Sub category	Examples of concrete risks	Time horizon	Financial impact	Adaptation / mitigation plan
Regulatory	Emerging regulation	Deforestation-related regulation, mostly concerning natural rubber	Medium	Medium	Follow-up of emerging regulation
		Green regulation on aviation and maritime fuels can significantly increase costs of logistics	Long	Medium	
	Further environmental fees	Additional taxes and duties e.g. EU's CBAM for fossil raw materials can increase prices. Certification costs	Short	Medium	Participation in industry sector working groups
	Stricter expectations to oversight	Increased verification testing of products and emission measurements	Short	Low	Follow-up of emerging regulations
Physical	Extreme weather events	Disruptions in logistics and force majeure situations	Short	Medium	Alternative transportation routes
	Extreme weather events	Permanent changes in logistics and/or increased force majeure situations	Long	High	Alternative transportation routes
	Extreme weather events	Impact of extreme weather events on natural rubber producers	Medium	Low	Alternative sourcing locations
	Extreme temperatures	Contamination/lower quality of raw materials	Short	Low	Multiple supply sources
Technological	Climate-related demands for new tire technology	A+ rolling resistance tires required for EVs	Medium	Low	Anticipation of future expectations in R&D development road maps
		150 km/h max speed for EU – demand for UHP (Ultra High Performance) tires falls	Long	Medium	
Market and reputation	Market changes	Shift from car ownership to mobility-as-a-service i.e. changing customer base	Long	Medium	Update product and service offering
	Tire raw materials	Increase use of expensive renewable materials	Medium	High	Road map for selective use of renewable and recyclable raw materials
	Energy	Green energy prices go up due to strong demand	Short	Medium	Long term power purchasing agreements
	Energy	Raw material price increases due to higher energy prices	Short	Medium	Long term contracts
	Tire raw materials	Availability of renewable and recycled raw materials can limit plans for sustainability	Medium	Low	Aiming for multiple sources
	Tire demand	Increased demand for all-season tires and less winter tires	Short	Low	Update product offering
	Reputational risk	Deforestation scandals (natural rubber)	Medium	Low	Co-operation with supply chain in line with GPSNR recommendations

Climate-related opportunities

Opportunity group	Sub category	Examples of concrete opportunities	Time horizon	Financial impact	Implementation plan
Innovation	Raw materials	Innovations with renewable / recycled / local materials	Medium	Medium	Material development road map to reach 50% share of renewable or recycled raw materials by 2030
	Recycling	Co-operation with innovative recycling companies	Medium	Medium	Screening of opportunities and widening of cooperation
	Climate-friendly technology	Lower rolling resistance products. Climate-friendly production	Short	High	Product development road map. New zero CO ₂ factory to Romania being implemented
	Energy-efficient production	Modern machinery used in Nokian Tyres' factories	Short	Medium	New zero CO ₂ factory to Romania being implemented
Product range	Competitive advantage	Nokian Tyres is an expert in demanding and challenging weather conditions. We have a strong share in winter tire markets and are prepared to increase the share further, should the extreme weather phenomena increase in the future	Short	Medium	Developing product portfolio, increasing consumer awareness
	Competitive advantage	Increase of all-season tire sales in Europe due to milder winters	Medium	Medium	Developing product portfolio
	EU further green regulation	Increased focus on sustainable natural rubber	Long	Low	Co-operation within GPSNR
	EU further green regulation	Tire regulation for wear resistance (abrasion)	Medium	Medium	Product development
	Industrial (heavy) tires	We have existing expertise to provide climate-friendly solutions, e.g. intelligent sensor technology	Short	Medium	Product development
Engagement	Consumers	Increase awareness of how tires can affect safety and carbon footprint	Short	Medium	Consumer education through communications and marketing
	Policy makers	Increased preparedness for new regulations or incentives	Long	High	Industry-wide cooperation and information sharing with decision makers
	Shareholders / stakeholders	Green / sustainable financing	Short	High	Transparent sustainability targets, public reporting, collaboration with financial institutions, information sharing with stakeholders
Regulatory	Renewable Energy Directive and other green regulation	More renewable energy available in EU, prices can decrease	Long	Low	Own investments/partnering for green energy
		Global carbon tax or similar would improve the company's competitive position	Long	Low	Further improvement of corporate carbon footprint

In 2020, the company was the first in tire industry to receive approval for its targets for reducing greenhouse gas emissions from the Science-Based Targets initiative (SBT). In November 2022 Nokian Tyres sent a new, more ambitious target to SBT for validation. New scope 1 + 2 emission targets will be aligned with the 1.5 degrees pathway. The work to reduce the GHG emissions is followed and supported by the Nokian Tyres Greenhouse Gas Reduction Steering Group, which started operating at the beginning of 2021. The GHG Steering Group convenes four times a year.

The company is a shareholder in Finnish Tyre Recycling Ltd, which centrally manages the collection and reuse of used tires in Finland. In Finland, nearly 100% of decommissioned tires are recycled. On average in Europe, the degree of tire recycling is approximately 95%.

Unfortunately, the VOC emissions (volatile organic compounds, or solvents) of the Nokian Tyres' factory in Finland are still above the maximum allowed level. During 2022 we discussed with environmental authorities and in the fall we conducted a spread modelling of the VOC emissions in order to estimate the impacts of the VOC's in the nearby surroundings of the Nokia factory. According to the modelling, the VOC concentrations and the environmental effects are minor. Furthermore, our solvent use has decreased over 40% compared to 2018. As a next step, we will continue negotiations with the authorities and plan to have our environmental permit updated.

In Finland, Nokian Tyres received one environmental complaint in 2022 concerning noise at the Finnish factory. The company was also contacted concerning odor emissions from local residents in Sastamala, Finland, where our retreading unit is located. Nokian Tyres has reported actions related to odor issues monthly to the authority until May 2022, and discussions with the authorities have continued throughout the year when necessary. The company received no environmental complaints from other locations.

Special attention has been paid to improvements in energy efficiency, as well as chemical safety and sustainability work across different fields of business.

At the production facilities, emphasis remained on reusing waste. In 2022, 100% of production waste was sent to utilization.

EU Taxonomy

The EU's new Taxonomy Regulation is designed to support the transformation of the EU economy to meet its European Green Deal objectives, including the 2050 climate-neutrality target. At the core of the Taxonomy Regulation is the definition of a sustainable economic activity. This definition is based on two criteria. An activity must:

- Contribute to at least one of six environmental objectives listed in the Taxonomy; and
- Do no significant harm to any of the other objectives, while respecting basic human rights and labor standards.

The Taxonomy regulation has entered partly in force. It classifies economic activities, which can be potentially aligned with EU's environmental targets. There are six environmental targets in the EU Taxonomy, two of which are now regulated: Climate Change Mitigation and Climate Change Adaptation.

Tire industry is included in the economic activity group Manufacture of other low carbon technologies in the EU Taxonomy's technical screening criteria. After investigating and consulting on EU Taxonomy's technical screening criteria, following conclusions about Nokian Tyres' economic activities have been made:

- Car and van tires with low rolling resistance ratings which are manufactured by Nokian Tyres have substantially lower life-cycle carbon footprint than corresponding average tires. This is a combined result of low use phase emissions and industry's best-in-class manufacturing emissions.
- At this stage, we will exclude all heavy professional tires as there is no solid comparison data available of use phase CO₂ emissions for heavy professional tires.

Manufacture of car and van tires with low life-cycle greenhouse gas emissions represented 30% of Nokian Tyres' total net sales in 2022. Based on our assessment, these economic activities are aligned with the EU Taxonomy criteria. Share of Opex within the scope of EU Taxonomy was 27% and share of Capex within the scope of EU Taxonomy was 16%.

It has to be noted that the Taxonomy reporting scope and criteria may change in coming years as this is only the second reporting round, and therefore also the figures may not be comparable between the reporting periods.

Turnover

Economic activities	Code(s)	Absolute turnover Currency	Proportion of turnover %	Substantial contribution criteria						DNSH criteria (‘Does Not Significantly Harm’)						Minimum safeguards Y/N	Taxonomy-aligned proportion of turnover, year 2022 Percent	Taxonomy-aligned proportion of turnover, year 2021 Percent	Category (enabling activity) E	Category (transitional activity) T	
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N						
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (taxonomy aligned)																					
Activity 1	3.6. Manufacture of other low carbon technologies	532.8	30%	100%	0%	0%	0%	0%	0%			Y	Y	Y	Y	Y	Y	30%		E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																					
Total (A.1 + A.2)																					
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxonomy-non-eligible activities (B)				1,243.2	70%																
Total (A + B)				1,776.1	100%																

Capex

Economic activities	Code(s)	Absolute CapEx Currency	Proportion of CapEx %	Substantial contribution criteria						DNSH criteria (‘Does Not Significantly Harm’)						Minimum safeguards Y/N	Taxonomy-aligned proportion of CapEx, year 2022 Percent	Taxonomy-aligned proportion of CapEx, year 2021 Percent	Category (enabling activity) E	Category (transitional activity) T			
				Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N								
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (taxonomy aligned)																							
Activity 1	3.6. Manufacture of other low carbon technologies	20.8	16%	100%	0%	0%	0%	0%	0%			Y	Y	Y	Y	Y	Y	16%		E			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																							
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																							
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																							
Total (A.1 + A.2)																							
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
CapEx of Taxonomy-non-eligible activities (B)				109.2	84%																		
Total (A + B)				130.0	100%																		

Nokian Tyres' approach to calculate the eligibility for the EU Taxonomy

Net sales

- **A:** Amount of eligible net sales coming from car and van tires having EU Tyre Labelling grade A, B or C in rolling resistance.
- Heavy tires will be excluded as there is no solid data (or public benchmark) available for use phase CO₂ emissions.
- **B:** Total amount of net sales
- **C:** Share of net sales within the scope of EU Taxonomy
- **C = A/B %**

Capex & Opex

- **D:** Eligible passenger car tires production companies' Opex: Research and Development and real estate expenses deducted by depreciation & amortization
- **E:** Group Opex: Research and Development and real estate expenses deducted by depreciation & amortization
- **F:** Share of Opex within the scope of EU Taxonomy
- **F = C*D/E %**
- Justification: represents share of Opex used for producing low rolling resistance car and van tires with reasonable accuracy.
- **G:** Eligible passenger car tires production companies' tangible Capex
- **H:** Group Capex including tangible and intangible investments
- **I:** Share of Capex within the scope of EU Taxonomy
- **I = C*G/H %**
- Justification: represents share of Capex used for production readiness for low rolling resistance car and van tires with reasonable accuracy.
- Remark: handpicking and assessing each investment's relation to EU Taxonomy separately is regarded not to give much additional accuracy.

PEOPLE

IMPACTS: Safety and well-being of personnel

The company's principles in all operations are fair treatment and respect of human rights when collaborating with its personnel or other stakeholders. This principle of equality and non-discrimination is an essential part of the company's operations, and the management of diversity is based on the concept of equality and equal prerequisites for work.

People Review discussions with all employees focus on managing performance and employee's personal development. Internal job rotation, on-the-job learning, and other learning solutions have a key role in supporting personnel development.

In 2022, Nokian Tyres conducted the personnel survey Drive! to measure well-being, equality, inclusion and engagement inside the organization. In the company-wide survey, for the question concerning equality, we received a score of 66 on a scale of 0–100, which is 7 points below the global benchmark. Improving equality is a priority in our sustainability work, and our aim is to continuously improve the score. This equality KPI is being followed annually.

Nokian Tyres' commitment and efforts related to data protection continued throughout the year. In particular, the renewed eLearning course was made available for all Nokian Tyres employees during 2022.

Safety work continues

Nokian Tyres' goal is to promote occupational health and minimize the number of occupational accidents. Occupational health and safety are an integral part of the company's daily management and operations.

Safety is Nokian Tyres' first priority, and the company's long-term goal is to reduce lost time injuries 20% annually. In 2022 there were less accidents leading to absences than ever before. The biggest improvement came from the production units. In September 2022, the passenger car tire production unit in Nokia celebrated one year without accidents leading to absences, and in November 2022 Levypyörä celebrated three years.

Lost-time injury frequency (LTIF)

2018	2019	2020	2021	2022
8.3	4.3	3.7	4.1	3.2

PRODUCTS

IMPACTS: Continuous improvement of traffic safety of tires and the sustainability of raw materials in tires

Nokian Tyres' R&D is constantly developing new ways of replacing fossil-based raw materials with recycled or renewable materials to enable more sustainable tire manufacturing. In January 2022, the company published a concept tire that was made 93% of either recycled or renewable raw materials. Nokian Tyres aims to increase the share of recycled or renewable raw materials in its tires to 50% by 2030.

Rolling resistance

Carbon dioxide, CO₂, is the most significant greenhouse gas generated by traffic. The higher the rolling resistance of a tire is, the higher the fuel consumption and CO₂ emissions will be.

In 2022, Nokian Tyres updated its goal for developing the rolling resistance of its tires: By 2028, the company aims to have at least 60 tires in the best rolling resistance A class of EU Tyre Labelling system.

Nokian Tyres products in the rolling resistance A class *

Status in 2022	Goal for 2028
14	60

* Tires included in the EU Tyre Labelling

Developing wet grip and ice grip

Nokian Tyres participates actively in developing the EU Tyre Labelling test method standards, such as wet grip and ice grip. Wet grip is a critical safety feature of a tire as it relates to how quickly a tire can stop on wet roads. The EU Tyre Labelling rates the wet grip of tires from A to E: A being the shortest braking distances in the wet, E being the longest braking distance.

Wet grip is one of Nokian Tyres' R&D's continuous development targets. This is aligned with one of our material topics: traffic safety of tires. Nokian Tyres' goal for 2025 is to include 100% of the company's premium tires in the best wet grip A or B class in the EU Tyre Labelling. We will report the progress annually.

Percentage of selected tires* in wet grip class A or B

Status in 2022	Goal for 2025
90%	100%

* Selected scope: Tires in price category A and included in the EU Tyre Labelling, the latest generation. Does not include Nordic winter tires.

As a Scandinavian tire designer and manufacturer, the safety of winter tires is one of our top priorities in traffic safety of tires. As of May 2021, the EU Tyre Labelling includes a label for snow grip marking as well as ice grip marking. A tire that is approved for severe snow conditions can have the snow grip marking, and a tire that passes the international ice grip test method can have the ice grip marking on their label. Our goal for the winter tire safety performance level was that by 2025, 100% of Nordic Nokian Tyres Hakkapeliitta winter passenger car and SUV tires fulfill the 2021 EU ice grip criteria. In 2022, we already reached that goal.

SUPPLY CHAIN

IMPACTS: Sustainable natural rubber procurement, climate change mitigation in supply chain

Natural rubber is one of the main ingredients of tires. Cooperation with the industry and other stakeholders is vital in improving the conditions of the employees working in the natural rubber industry and the state of the environment. Nokian Tyres is a member of the Global Platform for Sustainable Natural Rubber (GPSNR). It is a platform whose members include natural rubber farmers, processors and traders, tire makers and other natural rubber product makers, car makers and other natural rubber product users, financial institutions, and civil societies.

In 2021, Nokian Tyres updated its Supplier Code of Conduct, and also adopted a sustainable natural rubber policy that is fully aligned with the policy framework of the GPSNR. The company's sustainability in natural rubber is now developed through the framework of this policy. In 2022, Nokian Tyres conducted three new sustainability audits of natural rubber processing plants that are our suppliers.

As part of the Nokian Tyres Science Based Targets for reducing CO₂ emissions, a new KPI for the supply chain was created. During 2022, at least 40 raw material and 20 transport suppliers were expected to provide Nokian Tyres with a CO₂ emission reduction plan. The results of this study gave us a good view on the supply chain carbon emissions management. As a result, for 2023 we created a new KPI to gather Product Carbon Footprint from suppliers for 40 raw materials.

SIGNATURES FOR THE NON-FINANCIAL INFORMATION STATEMENT

Helsinki, 7 February 2023

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