nokian TYRES

ANNUAL REPORT 2025

TAKING CONTROL OF THE UNPREDICTABLE

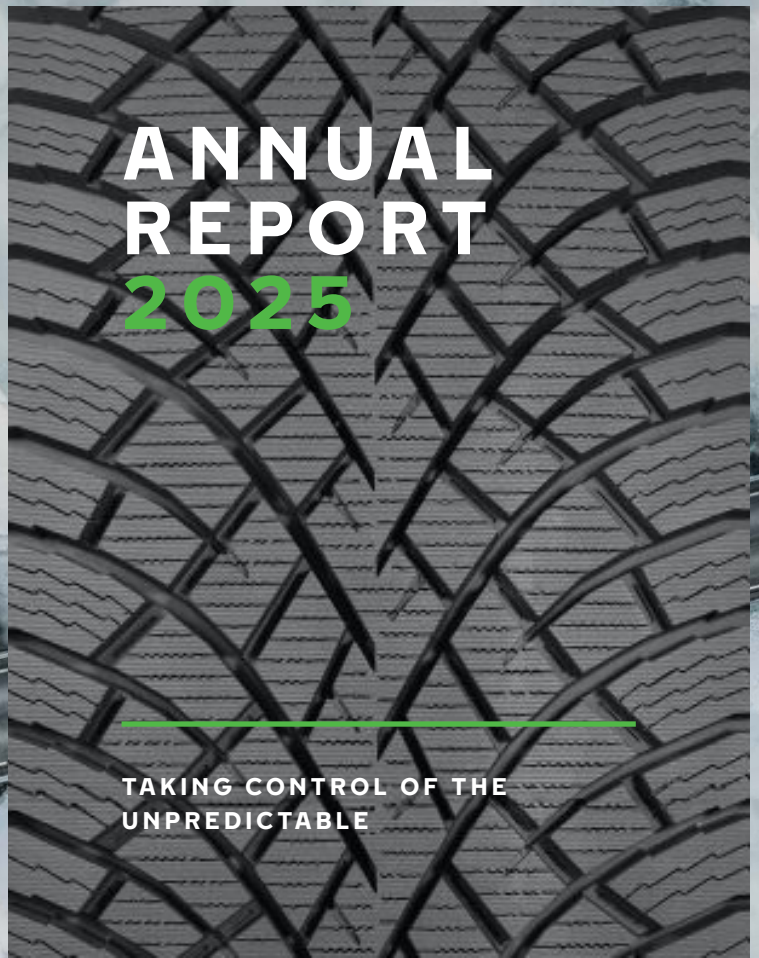


Table of contents

YEAR 2025

Nokian Tyres in short 5
Review by the President and CEO 6
Nokian Tyres' year 2025 10
Results of our sustainability work 14
Taking control of the unpredictable 15

REPORT BY THE BOARD OF DIRECTORS

Strategy and targets 20
Financial information 21
Business unit reviews 24
Shares and shareholders 26
Annual General Meeting 27
Significant risks 29
Key financial indicators 33
Formulas for the key financial indicators 35

Sustainability Statement

General information 37
Environmental information 62
Social information 96
Governance information 125
ESRS content index 130
Additional sustainability disclosures 140

Corporate Governance Statement

Introduction 143
Governance bodies 143
Board of Directors 145
Management team 150
Internal control and risks 152

Financial Statements

Consolidated financial statements 156
Parent company financial statements 206
Signatures and the auditor's note 217
Auditor's report 218
ESEF Assurance report 222
Assurance report on the sustainability statement 224
Information on Nokian Tyres' share 226
Nokian Tyres' Group structure 227

REMUNERATION REPORT

Chair's greeting 229
Introduction 230
Remuneration of the Board of Directors 231
Remuneration of the President and CEO 232

INVESTOR INFORMATION AND INVESTOR RELATIONS

General information and IR contact 234

ABOUT THIS REPORT

This Annual Report provides an overview of Nokian Tyres' year 2025. The first part of the report presents the key events, the President and CEO's review and the theme of winter driving.

The Report by the Board of Directors includes statutory information, an analysis of business performance and risks, and also covers the Sustainability Statement and the Corporate Governance Statement.

The Sustainability Statement has been prepared in accordance with the EU's CSRD and ESRS requirements. The ESRS Content Index at the end of the report provides links to detailed information.

The Financial Statements include the Group's and the parent company's financial statements and notes. The Remuneration Report describes the remuneration principles and the remuneration of the management.

The report is designed to be easy to use: the reader can navigate to different contents using the navigation in the top bar or through the tables of contents, and thus easily find the most interesting entities.

Taking control of the unpredictable

Weather is becoming harder to predict, with fast changing patterns and unexpected extremes. As winters change everywhere, driving is changing, too. Adaptation to shifting climates is taking place through advancements in technology as well as with regulations.

Nokian Tyres was born to master demanding conditions. As the pioneer of winter driving, change is not our obstacle – it is our element. It challenges us to innovate faster, and to design safety for roads no one has yet driven. From unpredictable winters to evolving global landscapes, our job is to stay ahead and ensure safe journeys for drivers.

nokian TYRES

YEAR 2025

Nokian Tyres in short 5
Review by the President and CEO 6
Nokian Tyres' year 2025 10
Results of our sustainability work 14
Taking control of the unpredictable 15

THE AVERAGE NUMBER OF SNOWY DAYS IN A YEAR IN NOKIA, FINLAND

90–120

Nokian Tyres in short

Nokian Tyres' purpose is to make the world safer by reinventing tires, and how they are made, over and over again - a safer place to drive, work and live now and for generations to come.

Inspired by its northern heritage, Nokian Tyres develops and manufactures premium tires for passenger cars, trucks and heavy machinery with sustainability at the heart of all its operations.

Vianor chain provides car and tire services. Nokian Tyres serves its customers in its core markets in the Nordic Countries, North America, and Central Europe.

Nokian Tyres produces tires in its factories in Nokia, Finland, Oradea, Romania and Dayton, USA. In addition, the company has a wheel factory in Finland. Manufacturing partners complement own production. Nokian Tyres' testing centers are in Nokia and Ivalo in Finland, and Santa Cruz de la Zarza, Spain.

The company's headquarters is in Nokia, Finland, and its shares are listed on Nasdaq Helsinki.

→ Read more

NOKIAN TYRES IN FIGURES FOR 2025

Net sales
1.4
EUR billion

Employees
4,000
globally

Products were sold in
47
countries

NET SALES* BY BUSINESS UNIT, %

- Passenger Car Tyres 62% (60)
- Heavy Tyres 17% (18)
- Vianor 26% (28)

* includes internal sales

CEO REVIEW

Strong progress in 2025

2025 was a year of strong progress for Nokian Tyres, despite an uncertain operating environment and weak market conditions. The fourth quarter was our strongest in three years. I want to thank our team for their focused execution and commitment to the priorities we set for the year.

Net sales grew across all regions, and we delivered a clear improvement in profitability. We also strengthened our operational performance and significantly improved cash flow. Together, these achievements show that we are building the next era of profitable growth while reminding us that determination and focus remain essential going forward.

WE ARE BUILDING THE NEXT ERA OF PROFITABLE GROWTH.

CEO REVIEW

As highlighted in our reports during the year, we accelerated actions to strengthen our financial performance by optimizing our product and price/mix, improving operational efficiency, and fully leveraging our expanded manufacturing platform. We also maintained strict cost discipline across the organization, from raw materials to indirect and SG&A spending. These measures steadily improved our performance throughout the year and will continue in 2026. In addition, better working capital management and lower capital expenditure supported stronger cash flow in 2025.

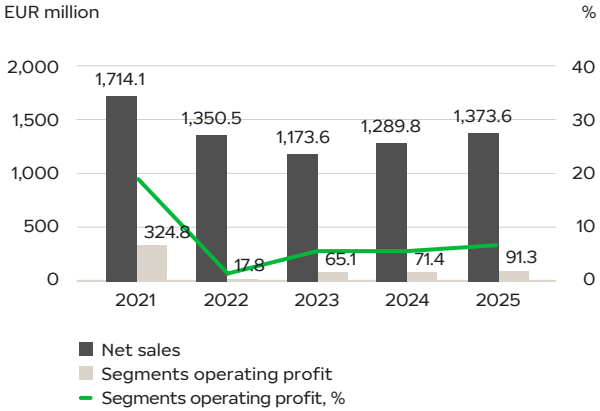
At the same time, we completed a significant investment phase during which we rebuilt our production capacity. The ramp up of the new Romanian factory progressed as planned, and in 2025 we produced one million tires. A great achievement especially from our local team!

Strengthening our consumer focus and our brand is essential to shaping the future of Nokian Tyres. New partnerships formed in 2025 with the International Ice Hockey Federation and former F1 champion Kimi Räikkönen are to boost our global visibility and reinforce our premium brand image.

Overall, 2025 marked a turning point for Nokian Tyres, showing our ability to adapt and remain competitive. While we continue strengthening our performance, we enter the next phase on a solid foundation.

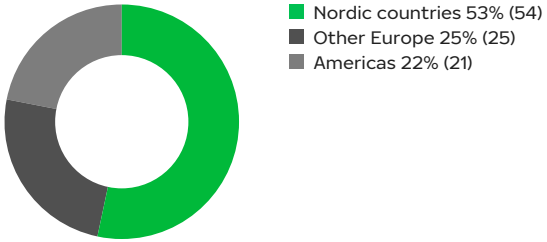
A STRONGER CONSUMER FOCUS AND A STRENGTHENED NOKIAN TYRES BRAND ARE CENTRAL TO US.

Net sales and segments operating profit

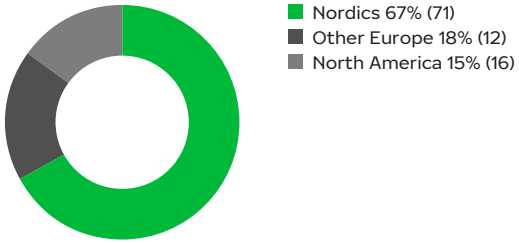


Figures for 2021 have not been restated and include Russia.

Net sales by geographical area, %



Employees by geographical area, %



CEO REVIEW

Making the unpredictable predictable

Nokian Tyres' strength lies in its deep experience with extreme weather conditions. The company's strategic theme, *Making the unpredictable predictable in any weather condition*, reflects our heritage and direction.

For 128 years, we have transformed unpredictable conditions into predictable safety for drivers. Over the past years, Nokian Tyres has navigated the most significant transformations in its history. This period has been a complete strategic reset as we rebuilt the new Nokian Tyres platform. As we now enter the next phase of our development, we will refocus on sustainable, value-driven growth. This positions us to take better control of the unpredictable also in the future and will reduce our exposure to geopolitical risks.

Our strategic market segments

We are sharpening our position to win where it matters and where we can differentiate, create the most value. Our focus is not on growth itself but on profitable growth.

Our aim in our strategic market segments are:

- In passenger car tires a **market leading position in winter** tires remains our priority.
- Demand for high quality **all-season and all-weather tire solutions grows** rapidly and we aim to **grow faster than the market**. With our long winter expertise, we are uniquely positioned to be able to win in this segment.
- We aim for **above-market growth also in agriculture and forestry** as selected heavy tire segments. We are already leading in forestry tires. Now we will extend this expertise to high-value agricultural segment.
- Vianor is a key enabler in Europe, serving as a sales and service channel for both passenger car and heavy tires.

Our progress is built on our strong heritage and know-how, innovation capabilities, and an excellent team. Our strategic plan includes a strong pipeline of innovative new products that will be produced in our advanced production facilities. A proof point of this is the launch of our disruptive winter tire technology.

Nokian Tyres is entering a new era of winter driving with the Hakkapeliitta® 01, the world's first studded winter tire that automatically adapts to temperature changes. This breakthrough embodies more than 90 years of Hakkapeliitta innovation and delivers on our long standing ambition to create a studded tire that adjusts to changing road conditions.

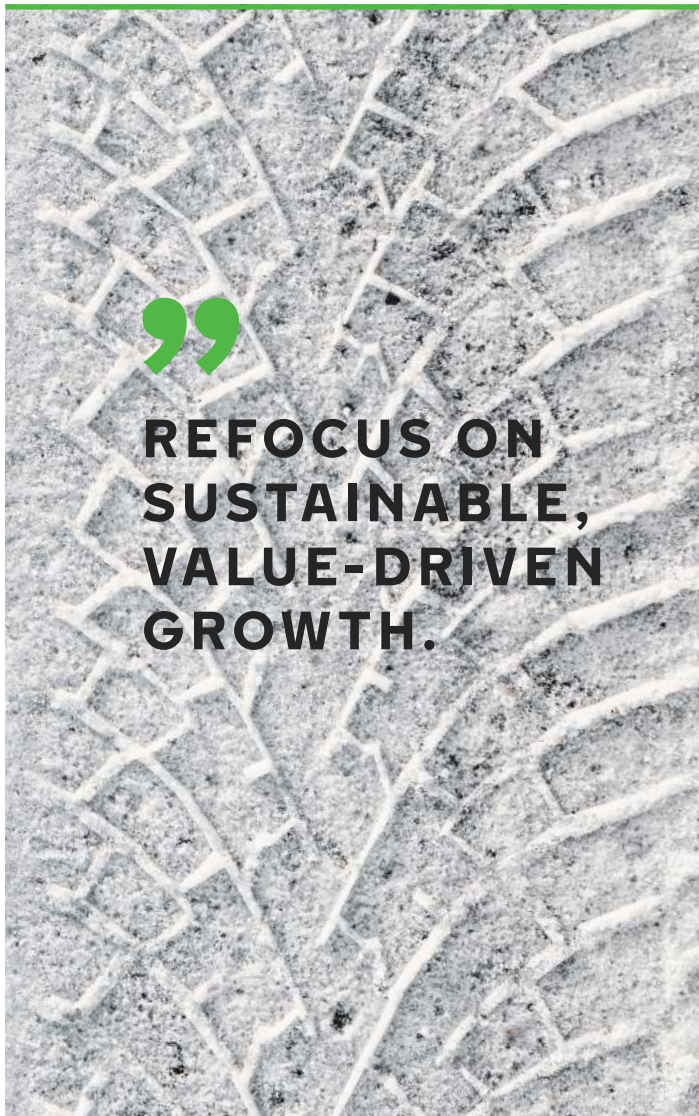
Powered by Double Action Stud Technology, the tire shifts between stud ON and OFF modes, offering optimal grip in every winter temperature from icy extremes to milder, variable conditions. This is the first technology of its kind in our industry and further strengthens our position as the global pioneer of winter driving.

I am proud of our team who was able to achieve what was previously thought impossible: a studded tire that responds to temperature changes to deliver ultimate safety while protecting the road.

Sustainability is part of Nokian Tyres' culture

Sustainability is a part of Nokian Tyres' culture, strategy, and goals. The company's sustainability work is based on commitments, stakeholder dialogue, and the ambition to be a leader in sustainability. We are proud to be part of the UN Global Compact and work with other stakeholders to improve working conditions and human rights along the supply chain.

The Board has confirmed the previously announced non-financial targets. Nokian Tyres will review these targets during 2026.



CEO REVIEW

Nokian Tyres' financial targets extending until the end of 2029

Nokian Tyres updated its financial targets in the beginning of 2026. Our updated financial targets set a clear direction for the future and reflect our ambition to create sustainable value for our shareholders.

Profitability improvement will be driven both by volume growth and by more than EUR 100 million coming from targeted performance initiatives. While maintaining strong performance in the Nordics, we aim to accelerate growth in North America and Central Europe. We will prioritize value creation through premium positioning, improved product mix and disciplined cost and operational efficiency.

The first year driven by collaboration and determination

2025 marked my first year at Nokian Tyres, a year defined by collaboration, determination, and progress. Even as we faced a challenging external environment, we tackled the unpredictability side by side and successfully advanced into the next stage of our development.

Over the past year, I've had the chance to meet many of our customers, shareholders, and colleagues, and to visit our sites across several countries. Seeing the depth of expertise within our teams and the strength of our customer partnerships has been truly motivating.

I would like to thank our customers, suppliers, and partners for their collaboration and continued confidence as we continue to build the future of Nokian Tyres together.

PAOLO POMPEI
PRESIDENT AND CEO

NOKIAN TYRES' FINANCIAL TARGETS

NET SALES

EUR

1.8–2.0

billion

CAPITAL STRUCTURE

Net debt/Segments EBITDA

<2

DIVIDEND

At least

50%

of net earnings.

The company's dividend policy remains unchanged.

PROFITABILITY

Segments EBITDA

>24%

Nokian Tyres prioritizes Segments EBITDA as a percentage of net sales as its key profitability metric.

Segments operating profit

>15%

FINANCIAL TARGETS UPDATED IN THE BEGINNING OF 2026.

Financial figures	2025	2024
Net sales, EUR million	**1,373.6**	1,289.8
Segments EBITDA	**222.2**	185.2
Segments operating profit margin, %	**6.6%**	5.5%
Net debt/Segments EBITDA	**3.0**	3.3
Dividend, EUR	**0.25***	0.25

*The Board's proposal to the Annual General Meeting.

2025 for Nokian Tyres

During 2025, Nokian Tyres made strong progress on several fronts. The company introduced important new products and solutions, including the Nokian Tyres Seasonproof 2 all-season tire and the award winning Nokian Tyres Intuitu™ 2.0 smart tire technology. One of the year's main milestones was the start of tire deliveries from the new factory in Oradea, Romania, followed later in the year by reaching the full year production target of one million tires. Nokian Tyres also strengthened its global brand when Kimi Räikkönen started as a brand ambassador, supporting visibility in key markets. More on some of our key highlights from 2025 can be found in this section.

New collaboration with Kimi Räikkönen

Kimi Räikkönen has become Nokian Tyres Brand Ambassador. Nokian Tyres and former Finnish Formula 1 driver Kimi Räikkönen have joined forces to elevate the Finnish brand's global presence and amplify its international recognition. Both share the same DNA: Finnish roots, uncompromising performance, and the ability to thrive under pressure. Both are built for extremes - whether it's conquering the racetrack or navigating roads in changing conditions and harsh weather.

→ **Read more**

Official Sponsor for IIHF Ice Hockey World Championships

Nokian Tyres has signed as Official Sponsor for the 2026 and 2027 IIHF Ice Hockey World Championships. Ice hockey is a sport built for extreme conditions. It demands peak performance on ice where grip, speed, and precision define success.

→ **Read more**

Agritechnica Innovation Award and the next-generation smart tire technology Nokian Tyres Intuitu™ 2.0

Nokian Tyres Intuitu™ 2.0 Smart Pressure Assistant was awarded the Silver Medal distinction of the Agritechnica Innovation Award. Developed for Nokian Tyres Soil King VF tractor tires, the next-generation smart tire technology uses tire sensors to determine the axle load during driving and suggests the correct tire pressure for use on the road and for working on the field. The award-winning innovation also supports Nokian Tyres' vision to lead the world to drive smarter.

The Agritechnica Innovation Award is one of the most respected honors in the global agricultural machinery industry, recognizing groundbreaking technologies that advance farming practices, improve efficiency, and promote sustainability.

→ **Read more**

The new Nokian Tyres Seasonproof 2 all-season tire – First tire range produced in our Romania factory

Nokian Tyres Seasonproof 2 provides top-tier safety on snow and slush as well as exceptional performance and a smooth driving experience in summer. It contains up to 38 percent of renewable, recycled and ISCC PLUS certified materials, and is produced in our new factory in Oradea, Romania.

Nokian Tyres Seasonproof 2 comes with Premium TÜV SÜD Tire Test Mark, confirming its high level of quality and performance.

→ **Read more**

First-ever nationwide distribution agreement in North America

Nokian Tyres and American Tire Distributors (ATD) announced a distribution partnership to serve tire dealers throughout the United States. The ATD's extensive network includes more than 110 distribution centers serving approximately 80,000 customers.

Romania factory story continues

The factory started tire deliveries

Our Romania factory started tire deliveries in March, 2025. The Nokian Tyres team filled up the first truck with made in Romania Nokian Tyres tires, and the truck started its journey from our tire factory to our distribution centers and onwards to our customers in Central Europe, bringing safety to Central and Southern European drivers.

→ **Read more**

One millionth tire produced

Our factory in Oradea has produced its one millionth tire of the year on December. The tire was produced according to the production target for the year. The factory focuses on manufacturing passenger car tires sold in the European market. The millionth tire produced in Oradea was a Nokian Tyres Snowproof 2 winter tire.

→ **Read more**

Nokian Tyres Family fest in Oradea

In September, we celebrated the very first Nokian Tyres Family Fest in Oradea. With around 700 participants, the event brought together employees and their loved ones for a memorable experience in the factory yard.

→ **Watch the video and more images from the event**

Paolo Pompei met our team members and key customers globally

Paolo Pompei started as President and CEO of Nokian Tyres on January 1, 2025. Throughout the year, Paolo visited our factories, and sales offices around the world, meeting with teams and key customers. These visits provide an important opportunity to share insights, strengthen connections, and shape the future together.

The Nokian Tyres Green Step Ligna concept tire wins at the New Wood 2025 bioeconomy breakthrough competition

The Nokian Tyres Green Step Ligna concept tire, developed in collaboration with UPM, was named the winner of the New Wood competition. Experts of the jury believed the innovation has the potential to transform the entire automotive industry.

→ **Read more**

We celebrated our 30-year anniversary as a listed company

At the beginning of June in 1995 Nokian Tyres became an independent listed company when it was listed on the Helsinki Stock Exchange under the name Nokian Tyres plc.

Noktop retreading method celebrated its 50th anniversary

Retread tires, also known as recapped tires, are widely used with heavy vehicles, such as trucks, buses and off-the-road vehicles in various industries. Thanks to continuous development, Noktop is still at the forefront of the industry.

Expanding the logistics center in Nokia, Finland

The modern and cost-effective warehouse for passenger car tires will serve the Finnish factory in Nokia and enable us to centralize warehouses, which are currently located in different parts of Finland, to Nokia. The aim of the project is to support Nokian Tyres' competitiveness by improving the efficiency and delivery reliability of the Finnish factory.

→ **Read more**

Results of our sustainability work in 2025

Systematic work on sustainability has resulted in significant recognition from various external sustainability assessments.

TIME & Statista

WORLD'S MOST SUSTAINABLE COMPANIES 2025

IN TOP 100

S&P Global CSA

76

IN TOP 10 IN THE AUTOMOTIVE COMPONENTS SECTOR SINCE 2016

EcoVadis

GOLD

IN TOP 2% OF ASSESSED COMPANIES

CDP Climate

A-

LEADERSHIP-LEVEL SCORE SINCE 2020

CDP Supplier Engagement Assessment

A

A-LIST MEMBER

Financial Times & Statista

EUROPE'S CLIMATE LEADERS

LIST MEMBER SINCE 2021

MSCI

AAA

A LEADER IN OUR INDUSTRY

Sustainalytics

ESG TOP-RATED COMPANIES 2025

TAKING CONTROL OF THE UNPREDICTABLE

New future of winter driving

Nokian Tyres innovates and designs for the unpredictable. Our roots are in the north, where seasons change and driving conditions are often challenging. This is why Nokian Tyres is especially known as the developer of premium winter tires and forestry tires. However, current driving conditions are becoming less predictable across the globe. We aim to ensure safety for drivers in all conditions – the basic principle that has remained the same since 1934 when we invented the world's first winter tire.

Changing winters: adapting to a new reality

Winters are no longer what they used to be. Across the globe, the cold season is becoming less predictable, shifting rapidly between freezing temperatures, slush, rain, and bare asphalt.

Winter conditions vary more sharply than before, even during the same day, and the performance of tires is increasingly dependent on the surface you are driving on.

These changes are driven by a warming climate, which brings less consistent snowfall, more frequent melting, and heavier rainfall.

This transformation impacts everyday life in many ways. Roads and infrastructure face greater stress from freeze-melting damage, while drivers encounter conditions that change from hour to hour.

For drivers, safety remains the priority. Traditional winter tires were designed for stable, snowy conditions but today's reality demands innovation. Nokian Tyres has embraced this challenge by developing technologies that adapt to changing conditions.

Changing winters call for resilience and flexibility from infrastructure planning to tire technology. By anticipating these shifts and innovating responsibly, we can ensure that mobility remains safe and sustainable, no matter what the season brings.

WINTER CONDITIONS VARY MORE SHARPLY THAN BEFORE.

Winter conditions around the world: a diverse reality

Winter is not a uniform season – it varies dramatically across regions, shaped by latitude, geography, and local climate patterns. Winter conditions range from icy extremes to mild, wet variability. This diversity drives the need for tailored solutions, whether studded tires for Nordic roads, all-weather tires for North America, or all-season options for Central Europe.

Studded tires and changing regulations

Studded tires are standard equipment for winter driving in Nordic countries. Studded winter tires offer the best grip on icy and slippery roads, making them the safe choice in extreme and variable winter conditions.

However, traditional studded tires also have drawbacks: they wear on the road, produce harmful street dust that affects air quality, and produce tire noise. Many countries limit the use of studded tires to winter conditions or mountainous areas and restrict their use in urban areas.

According to Traficom's new regulation in Finland, new tires manufactured after 2026 must wear about 15 percent less on the road than tires currently on the market. This requires tire manufacturers to adapt their tires to meet the new requirements.

Non-studded winter tires are ideal for urban areas

Non-studded winter tires deliver a quiet and comfortable driving experience. They provide flexibility for the winter tire season, as they can be deployed earlier in fall and kept longer into spring. They cause little road wear and generate minimal road dust, which improves air quality and supports the sustainability of infrastructure.

Another world's first in winter driving

Nokian Tyres Hakkapeliitta® 01, the world's first studded winter tire that automatically adjusts to temperature changes, ushers in a new era of winter driving.

Nokian Tyres is breaking new ground with the launch of the Nokian Tyres Hakkapeliitta® 01, the world's first winter tire designed to automatically adapt its grip in response to changing temperatures. This innovation marks the beginning of a new era of driving on icy and snowy roads, promising drivers both enhanced safety and comfort like never before.

It is not the first time that the company has been at the forefront of winter driving. In 1934 Nokian Tyres invented the world's first winter tire. In 1936, Nokian Tyres brought a further improved design specifically for passenger cars to the market, the Lumi-Hakkapeliitta, Snow-Hakkapeliitta.

90 years later, the Nokian Tyres Hakkapeliitta® is one of the world's best-known winter tire brands.
The newest generation of the legendary Hakkapeliitta® family changes winter driving yet again. After years of dedicated research, thousands of prototypes, and rigorous testing in diverse environments, Nokian Tyres has achieved what many thought impossible: a tire that responds dynamically to winter's unpredictability while maintaining quiet ride and sustainability.

With the new Nokian Tyres Hakkapeliitta® 01, the company set out to rethink what a studded winter tire can be.
As temperatures fluctuate, the studs on Nokian Tyres Hakkapeliitta® 01 shift seamlessly between ON and OFF modes, ensuring optimal traction on all road surfaces.
The development process aimed for a tire that doesn't compromise between superior ice grip and low road wear, which is a common trade-off in winter tire development.
Instead of a compromise, a solution was developed where grip adjusts automatically to the temperature, delivering maximum safety when it's needed, and gentler road contact when it's not. With the Nokian Tyres Hakkapeliitta® 01 drivers no longer have to choose between superior ice grip and minimizing road wear, and it helps drivers account for winter weather that is less predictable than ever.

→ Read more

Non-studded winter tires are ideal for urban areas and regions with mixed winter conditions, offering strong grip on snow. However, drivers should be careful in very slippery conditions, as on icy road the grip may reduce.

Snowflake and ice grip certificates ensure safety in different types of winter conditions

To make it easier for drivers to choose safe tires for winter driving, the tire manufacturers use the Three-Peak Mountain Snowflake (3PMSF) symbol. The emblem is an internationally recognized symbol that certifies a tire's ability to perform in winter conditions. A tire manufacturer can include the 3PMSF symbol on the tire sidewall once the tire has passed the required snowgrip performance test.

In addition to the snow grip certification, the tires designed for Northern Europe and the harshest parts of North America also feature the ice grip symbol as proof of safe grip in icy demanding winter driving conditions. It is essential for all drivers to ensure that their winter tires carry either the snowflake symbol, the ice grip symbol, or both. Drivers can find the symbols molded into the tire's sidewall, as well as in product descriptions online and at dealerships.

The future of winter driving

As winters grow more unpredictable, the future of driving will demand adaptability, sustainability, and resilience. Roads will face shifting conditions from frost to rain to sudden ice while regulations and environmental priorities continue to evolve.

Choosing the right type of winter tire is straightforward, but it depends on the conditions the driver faces.

Tire development will rely on innovative solutions that balance safety with ecological responsibility, ensuring drivers remain confident and in control no matter how the seasons change.

40 years of innovation above the Arctic Circle

Tire testing is an integral part of the tire development process. Nokian Tyres' Ivalo test center, or White Hell as it is called, located in Finnish Lapland, plays a vital role in maintaining Nokian Tyres' position as the expert of winter driving. Opened in 1986, the year 2026 marks the 40th anniversary of the world's largest winter tire proving ground.

During the four decades of its operations, White Hell has grown into a 700-hectare site with over 40 km of tracks and advanced facilities, testing up to 5,000 tires each season. The center's cold, demanding winter environment allows Nokian Tyres to innovate winter, all-weather and all-terrain tires for global markets. Producing trustworthy tires requires repetition, precision and professional skill, and only rigorous testing ensures safety for drivers in real-life conditions.

→ Read more

Proper storage keeps tires safer for longer

In the Nordic countries, proper storage is needed for the tire set not in use that season. Storing tires correctly in clean, dry, climate-controlled conditions slows aging and extends their lifespan. Avoiding exposure to light, chemicals and compression is also important.

For many drivers, proper tire storage at home is difficult due to lack of space or suitable conditions. In such cases, a tire hotel is an easy and safe solution. Vianor's tire hotel offers reliable and safe storage for tires. The tires are cleaned, inspected and stored, and before each driving season, a tire professional inspects their condition and pressure and mounts them on the car. The tires remain in as good a condition as they were when left, and the driver gains more safe driving kilometers.

→ Read more

All season confidence for Europe's varying winters

Europe's varied geography means tire needs for winter driving differ from area to area. Harsh winter climates require specialized winter tires, while in milder regions all-season tires offer a convenient, safe solution. All-season tires designed for Central and Southern European drivers meet winter grip standards, indicated by the Three-Peak Mountain Snowflake symbol.

Nokian Tyres' newest all-season tire, Nokian Tyres Seasonproof 2, offers safe year-round performance. The Seasonproof 2 features advanced safety and sustainability with 38 percent renewable, recycled and ISCC PLUS certified materials. The tire is also produced in Nokian Tyres' factory in Romania, the world's first full-scale zero-CO_2-emissions tire factory.

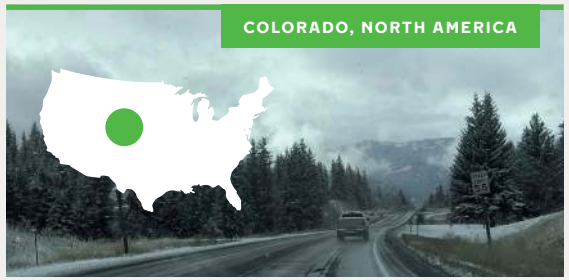
→ Read more

Safer winter work starts with safer tires

For heavy machinery, reliable winter grip is a necessity for maintaining productivity and safety. This need for winter performance is nothing new, and in the 1980's, Nokian Tyres developed the world's first tire for heavy machinery designed to be used also in the winter, ensuring safety year-round. Today, that innovation has evolved into the Nokian Tyres Hakkapeliitta TRI tire for tractors and loaders.

To simplify the choice of safe tires, Nokian Tyres uses the M+S marking on its heavy tires designed for winter service. The M+S designation is granted only after testing demonstrates that the tire meets defined requirements for winter use. Ultimately, choosing the right tire for heavy machinery is an investment in safety, efficiency and peace of mind.

→ Read more



The unique winter solution for North American drivers

Winter in North America varies widely, and changing climate patterns also create challenges for drivers. For more than 25 years, Nokian Tyres has offered a unique solution for North American drivers facing unpredictable winter weather: the all-weather tire.

All-weather tires are designed for areas in North America where winter varies between rain, slush and occasional snow rather than months of deep freeze. They offer reliable winter grip, while still performing well on hot summer roads. What makes them a true four-season solution for North America is that it also offers reliable grip on snow. As proof of tested winter performance the tires have the Three-Peak Mountain Snowflake (3PMSF) symbol on the sidewall. While dedicated winter tires are best for harsh winter conditions, all-weather tires provide safety and versatility year-round.

→ Read more

REPORT BY THE BOARD OF DIRECTORS

Strategy and financial targets 20
Financial information 21
Business unit reviews 24
Shares and shareholders 26
Annual General Meeting 27
Significant risks 29
Key financial indicators 33
Formulas for the key financial indicators 35

THE COLDEST EVER TEMPERATURE MEASURED IN IVALO, FINLAND

-48.9 °C

Report by the Board of Directors

In 2025, Nokian Tyres continued to build the foundation for profitable growth. The year marked an important step in improving the company's performance and finalizing the significant investment phase as the company moves into its next phase of development.

The operating environment remained volatile due to geopolitical and tariff-related uncertainties. Despite these headwinds, the company progressed steadily during the year, supported by commercial and operational improvements.

At the same time, Nokian Tyres advanced its sustainability and innovation efforts. The world's first zero-CO_2-emissions (Scope 1 & 2) tire factory began production, progress was made in increasing the use of recycled and renewable materials, and several new products were successfully launched. In addition, the company engaged in carefully selected partnerships to further strengthen brand and premium positioning in its core markets.

Strategy implementation and financial targets

Nokian Tyres aims for profitable growth by strengthening its position in key markets in the Nordic countries, North America, and Central Europe. The emphasis is on high-value segments, particularly on premium winter and all-season passenger car tires as well as on heavy tires.

In 2025, commercial and operational improvements drove profitable growth. The focus was on optimizing price/mix and improving manufacturing efficiency. Higher average selling prices and sales volumes in Passenger Car Tyres and as well as strict cost control across the organization contributed to margin improvement.

The company completed the major investment phase, resulting in a more balanced manufacturing platform that supports a local-for-local production model.

Innovations and high product quality remained core strengths, demonstrated by several tire launches emphasizing safety, sustainability and performance. Macro trends, including electrification, growing SUV and CUV penetration, and increasing demand for sustainable products, continued to support long-term growth opportunities

In the second half of 2025, Nokian Tyres conducted a review of its strategy. The review clarified priorities and helped identify opportunities to further accelerate execution, sharpen focus, and enhance value creation across the organization.

After the review period, on February 10, 2026, Nokian Tyres published its updated strategy and financial targets extending until the end of 2029. Further information is available on a stock exchange release available at **company.nokiantyres.com/investors/**.

Net sales and operating profit

Net sales in 2025 totaled EUR 1,373.6 million (2024: 1,289.8; 2023: 1,173.6) and increased by 6.5%. With comparable currencies, net sales increased by 7.2%. Net sales grew in all regions. Currency exchange rates affected net sales negatively by EUR 9.2 million.

Net sales by geographical area

EUR million	2025	2024	Change	CC* Change	% of total net sales in 2025	% of total net sales in 2024
Nordics	**727.4**	696.2	4.5%	3.6%	**53%**	54%
Other Europe	**343.2**	319.6	7.4%	6.8%	**25%**	25%
Americas	**298.0**	270.3	10.3%	16.6%	**22%**	21%
Other countries	**5.0**	3.7	35.3%	35.3%	**0%**	0%
Total	**1,373.6**	1,289.8	6.5%	7.2%	**100%**	100%

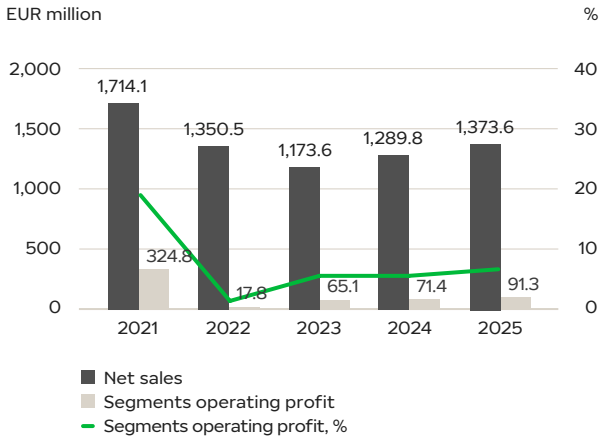
*Comparable currencies.

Net sales by business unit

EUR million	2025	2024	Change	CC* Change	% of total net sales in 2025**	% of total net sales in 2024**
Passenger Car Tyres	**858.4**	779.9	10.1%	11.5%	**62%**	60%
Heavy Tyres	**232.0**	235.1	-1.3%	-1.2%	**17%**	18%
Vianor	**363.8**	354.9	2.5%	1.6%	**26%**	28%
Other operations and eliminations	**-80.6**	-80.1	-0.7%			
Total	**1,373.6**	1,289.8	6.5%	7.2%		

*Comparable currencies.
**Includes internal sales.

Net sales and segments operating profit

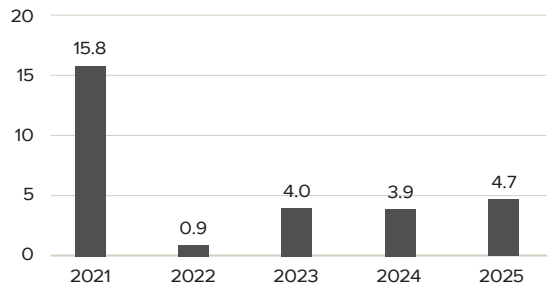


Figures for 2021 have not been restated and include Russia.

Operating profit was EUR 35.8 million (2024: 1.8; 2023: 32.1). Non-IFRS exclusions were EUR -55.5 million (-69.6), of which EUR -46.9 million (-22.1) were related to the Romanian factory ramp-up and EUR -5.9 million (-33.7) to the US factory ramp-up.

Segments operating profit was EUR 91.3 million (2024: 71.4; 2023: 65.1). The increase was driven by higher passenger car tire prices and sales volume. Segments operating profit percentage was 6.6% (2024: 5.5%; 2023: 5.5%). Segments ROCE was 4.7% (3.9%).

Segments ROCE, %



Segments operating profit by business unit

EUR million	2025	2024
Passenger Car Tyres	**80.9**	52.2
Heavy Tyres	**24.3**	30.0
Vianor	**-3.5**	-3.8
Other operations and eliminations	**-10.4**	-7.0
Segments operating profit total	**91.3**	71.4
Non-IFRS exclusions	**-55.5**	-69.6

Financial items and taxes

Net financial expenses were EUR 51.7 million (33.3), including net interest expenses of EUR 39.1 million (30.7). Net financial expenses include an expense of EUR 12.6 million (2.6) due to exchange rate differences. Result before tax was EUR -15.9 million (-31.5) and taxes were EUR 0.9 million (8.7). Segments result before tax was EUR 39.6 million (38.1). Result for the period was EUR -15.0 million (-22.8). Segments result for the period was EUR 29.1 million (31.4). Earnings per share were EUR -0.11 (-0.17).

Return on equity was -1.2% (2024: -1.7%; 2023: -23.4%).

Guidance given for 2025

In Nokian Tyres' financial statement release for 2024 published on February 4, 2025, the company published the following outlook for 2025:

In 2025, Nokian Tyres' net sales are expected to grow and segments operating profit as a percentage of net sales to improve compared to the previous year.

Cash flow

In 2025, cash flow from operating activities was EUR 146.2 million (77.4). Working capital decreased by EUR 17.2 million (increased by 13.6). Inventories decreased by EUR 6.6 million (decreased by 16.2) and receivables decreased by EUR 24.2 million (increased by 63.8). Payables decreased by EUR 13.6 million (increased by 33.9).

Investments

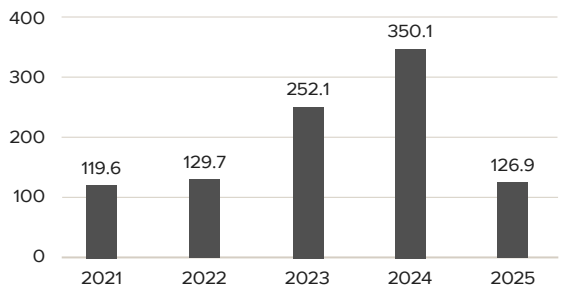
Investments totaled EUR 126.9 million (350.1). Depreciations and amortizations totaled EUR 142.2 million (124.2).

Nokian Tyres has built a new passenger car tire factory in Romania to expand its manufacturing footprint and rebuild capacity. The production facility is the world's first full-scale zero-CO_2-emissions (Scope 1 & 2) tire factory. The first tires were delivered from the factory to Nokian Tyres distribution centers in March 2025, and commercial tire deliveries started in the second quarter. Altogether, one million tires were delivered in 2025, and the ramp-up will continue until the full capacity of 6 million tires is reached based on future demand. There is potential for future expansion at the site. The site will also house a distribution facility for storage and distribution of tires.

The total investment is estimated to be approximately EUR 650 million. To support the establishment of the factory, the European Commission approved in 2024 up to EUR 99.5 million Romanian state aid measure. The first installment of EUR 32.6 million was paid at the end of 2025.

In the second quarter, Nokian Tyres announced that it will expand its logistics center, which is serving the Finnish factory in Nokia, by building a modern and cost-effective warehouse for passenger car tires. The expansion will be completed by the end of 2027 on a plot owned by Nokian Tyres adjacent to the current logistics center in Nokia, Finland.

Gross investments, EUR million



Financial position

EUR million	Dec 31, 2025	Dec 31, 2024
Cash and cash equivalents	**146.9**	176.1
Interest-bearing liabilities	**810.9**	789.2
of which current interest-bearing liabilities	**92.7**	47.3
Interest-bearing net debt	**664.0**	613.1
Unused credit limits	**764.7**	803.3
of which committed	**304.5**	304.4
Gearing, %	**57.0%**	48.2%
Equity ratio, %	**50.3%**	52.5%

In March 2025, the remaining one-year extension options were exercised for a total of EUR 300 million in long-term bilateral sustainability-linked term loans. Consequently, the maturity dates for these facilities were extended from April 2026 to April 2027. Additionally, the first extension option was exercised for the EUR 100 million bilateral sustainability-linked term loan, extending its maturity date from May 2027 to May 2028.

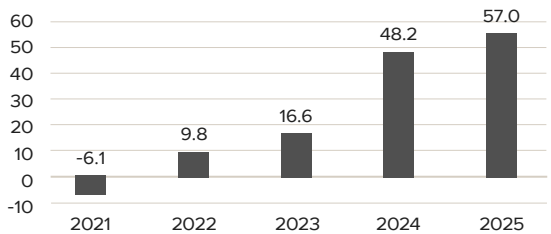
In June 2025, new two-year bilateral revolving credit facilities totaling EUR 100 million were signed to replace the existing facilities of the same amount due in 2026. The new facilities include extension options of up to two years and will serve as a backup for general corporate purposes.

In November 2025, the last one-year extension option was exercised for a EUR 200 million sustainability-linked revolving credit facility. Thus, the maturity date for this facility was extended from January 2028 to January 2029.

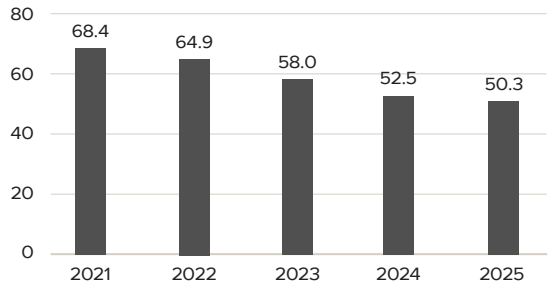
The average interest rate of interest-bearing financial liabilities was 4.0%.

The committed credit limits and the EUR 500 million commercial paper program are used to finance inventories, trade receivables, and subsidiaries in distribution chains, thereby controlling the typical seasonality in the Group's cash flow.

Gearing on Dec 31, %



Equity ratio on Dec 31, %



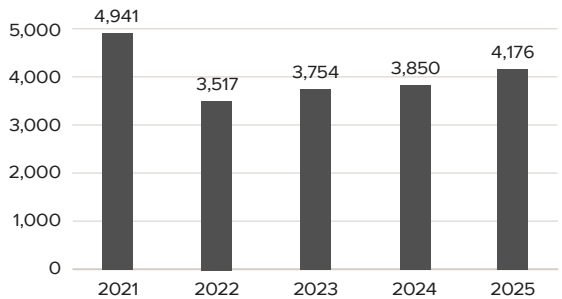
Personnel

	2025	2024	2023
Group employees			
on average	**4,176**	3,850	3,754
at the end of the review period	**3,959**	3,810	3,433
in Finland, at the end of the review period	**1,716**	1,770	1,767
in North America, at the end of the review period	**579**	618	558
in Romania, at the end of the review period	**527**	274	
Vianor (own) employees, at the end of the review period	**1,387**	1,428	1,387

Employee figures are based on the total headcount, including both full-time and part-time employees. Group-level figures include Vianor, with 48 (33) seasonal employees at the end of December 2025.

Salaries, incentives, and other related costs in 2025 were EUR 275.3 million (2024: 256.3; 2023: 232.2).

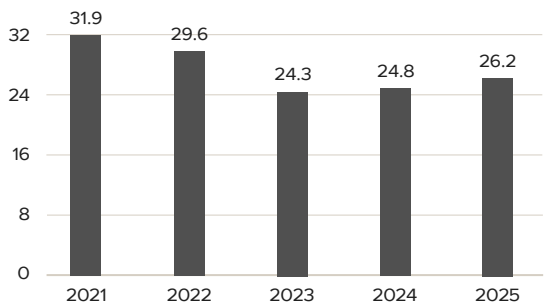
Average number of personnel



Research and development

Nokian Tyres' competitive position is based on its ability to continually develop new, innovative and sustainable products. The company's R&D team closely monitors market trends and consumer demands, ensuring that Nokian Tyres' products meet the evolving customer needs. In 2025, Nokian Tyres introduced several new tire models with safety, sustainability, and performance being the key drivers of the product development. Approximately 50% of R&D investments is allocated to product testing. Nokian Tyres' R&D costs in 2025 totaled EUR 26.2 million (2024: 24.8; 2023: 24.3), which is 11.1% (2024: 10.7%; 2023: 11.6%) of the operating expenses.

R&D expenses, EUR million



Business unit reviews

Passenger Car Tyres

EUR million	2025	2024
Net sales	**858.4**	779.9
Net sales change, %	**10.1%**	19.4%
Net sales change in comparable currencies, %	**11.5%**	20.2%
Operating profit	**28.3**	-15.6
Operating profit, %	**3.3%**	-2.0%
Segment operating profit	**80.9**	52.2
Segment operating profit, %	**9.4%**	6.7%

In 2025, net sales of Passenger Car Tyres totaled EUR 858.4 million (779.9). With comparable currencies, net sales increased by 11.5%.

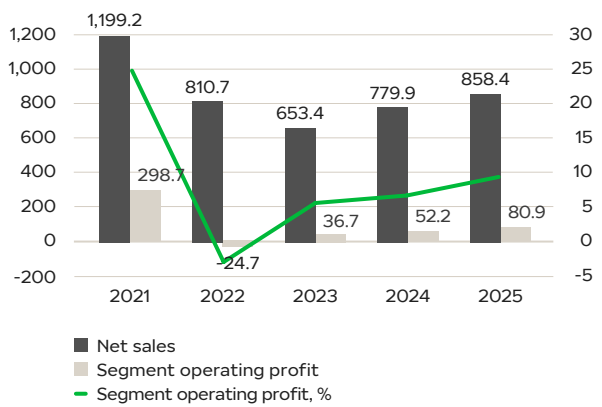
The share of sales volume of winter tires was 58% (55%), the share of summer tires was 12% (17%), and the share of all-season tires was 30% (28%).

Operating profit was EUR 28.3 million (-15.6). Segment operating profit was EUR 80.9 million (52.2). The increase was driven by price increases and sales volume growth.

To expand its manufacturing footprint and rebuild capacity, Nokian Tyres has built a new passenger car tire factory in Romania. The production facility is the world's first full-scale zero-CO_2-emissions (Scope 1 & 2) tire factory. Altogether, one million tires were delivered in 2025, and the ramp-up will continue until the full capacity of 6 million tires is reached based on future demand. There is potential for future expansion at the site.

During the review period, Nokian Tyres expanded its product portfolio in the company's growth regions by launching the new Nokian Tyres Surpass AS01 UHP all-season tire to the North American market as well as the Nokian Tyres Seasonproof 2 all-season tire and the Nokian Tyres Powerproof 2 UHP summer tire to the Central and southern European markets. Nokian Tyres Hakkapeliitta winter tires and Nokian Tyres Hakka summer tires received the Key Flag symbol by the Association for Finnish Work as proof of their Finnish origin.

Net sales and segment operating profit
EUR million



Heavy Tyres

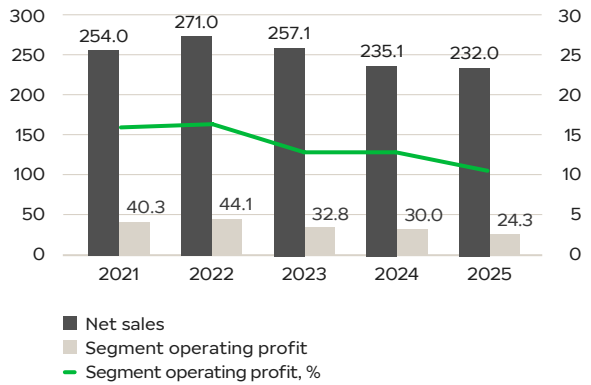
EUR million	2025	2024
Net sales	**232.0**	235.1
Net sales change, %	**-1.3%**	-8.6%
Net sales change in comparable currencies, %	**-1.2%**	-8.0%
Operating profit	**24.3**	30.0
Operating profit, %	**10.5%**	12.8%
Segment operating profit	**24.3**	30.0
Segment operating profit, %	**10.5%**	12.8%

In 2025, net sales of Heavy Tyres totaled EUR 232.0 million (235.1). With comparable currencies, net sales decreased by 1.2% due to lower volume of forestry and agricultural tires.

Operating profit was EUR 24.3 million (30.0). Segment operating profit was EUR 24.3 million (30.0). The decrease was mainly caused by weaker product mix and inventory revaluation.

During the review period, Heavy Tyres launched a new-generation flotation tire, the Nokian Tyres Country King G2, engineered for the changing needs of agricultural transportation. New tire sizes were introduced to the Nokian Tyres Soil King VF product family for demanding agricultural work as well as to the Nokian Ground Kare tire range for wheeled excavators and backhoe loaders. In November, Nokian Tyres was awarded an Agritechnica Innovation Silver Medal for its next-generation smart tire technology Nokian Tyres Intuitu™ 2.0 Smart Pressure Assistant. The innovation uses tire sensors to determine the axle load during driving and suggests the correct tire pressure for use on the road and for working on the field.

Net sales and segment operating profit
EUR million



Vianor, own operations

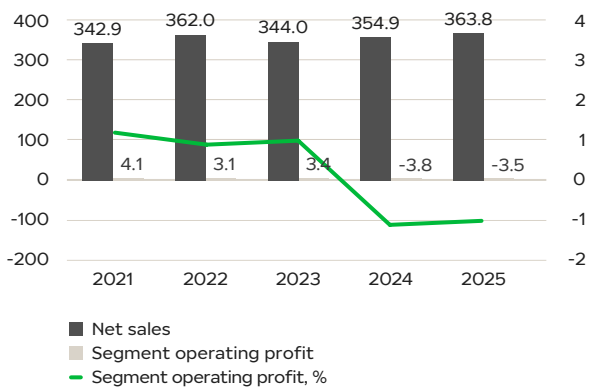
EUR million	2025	2024
Net sales	**363.8**	354.9
Net sales change, %	**2.5%**	3.2%
Net sales change in comparable currencies, %	**1.6%**	3.6%
Operating profit	**-3.5**	-3.8
Operating profit, %	**-1.0%**	-1.1%
Segment operating profit	**-3.5**	-3.8
Segment operating profit, %	**-1.0%**	-1.1%
Number of own service centers at period end	**170**	174

In 2025, net sales of Vianor totaled EUR 363.8 million (354.9). With comparable currencies, net sales increased by 1.6%.

Operating profit was EUR -3.5 million (-3.8). Segment operating profit was EUR -3.5 million (-3.8).

At the end of the review period, Vianor had 170 (174) own service centers in Finland, Sweden and Norway.

Net sales and segment operating profit
EUR million



Segments Total to Nokian Tyres Total reconciliation 2025

In addition to IFRS figures, Nokian Tyres publishes alternative non-IFRS segments figures, which exclude the ramp-up of the US and Romanian factories and other possible items that are not indicative of the Group's underlying business performance.

EUR million	Net sales	Cost of sales	SGA	Other operating income/ expenses	Operating profit	Financial income/expenses	Taxes	Result for the period
Segments Total	**1,373.6**	**-1,043.0**	**-240.2**	**0.8**	**91.3**	**-51.7**	**-10.5**	**29.1**
US factory ramp-up		-5.6	-0.3		-5.9		1.4	-4.5
Romanian factory preparations		-43.7	-2.7	-0.4	-46.9		9.4	-37.5
Other exclusions			-2.7		-2.7		0.6	-2.2
Total non-IFRS exclusion		-49.3	-5.7	-0.4	-55.5	0.0	11.3	-44.1
Nokian Tyres Total	**1,373.6**	**-1,092.3**	**-245.9**	**0.4**	**35.8**	**-51.7**	**0.9**	**-15.0**

Shares and shareholders

At the end of December 2025, the number of shares was 138,921,750.

Number of shares (million units)*	Dec 31, 2025	Dec 31, 2024
at the end of period	**137.88**	137.87
in average	**137.87**	137.87
in average, diluted	**137.87**	137.87

*Excluding treasury shares held by EAM NRE1 Holding Oy

Own shares

The company held no treasury shares on December 31, 2025.

Nokian Tyres has an agreement with Allshares Oy concerning the long-term share-based incentive schemes for key personnel. Pursuant to the agreement, EAM NRE1 Holding Oy owns Nokian Tyres' shares related to the incentive schemes until the shares are granted to the employees participating in the schemes. On December 31, 2025, EAM NRE1V Holding Oy held 1,046,507 shares, reported as treasury shares (December 31, 2024: 1,052,242). The number of treasury shares corresponded to 0.75% (0.76%) of the total shares and voting rights in the company.

Trading in shares

A total of 152,692,396 (149,557,916) Nokian Tyres' shares were traded in Nasdaq Helsinki in 2025, representing 110% (108%) of the company's overall share capital. The average daily volume in 2025 was 611,850 shares (595,848). Nokian Tyres' shares are also traded on alternative exchanges.

Nokian Tyres' share price was EUR 9.46 (7.35) at the end of 2025. The volume weighted average share price in 2025 was EUR 7.22 (8.24), the highest was EUR 9.49 (9.63) and the lowest was EUR 5.95 (7.07). The company's market capitalization at the end of 2025 was EUR 1.3 billion (1.0 billion).

At the end of 2025, the company had 98,875 (102,389) registered shareholders. The percentage of Finnish shareholders was 78.0% (70.5%), out of which public sector entities owned 20.3% (18.1%), financial and insurance corporations 6.1% (4.6%), households 42.2% (38.9%), non-profit institutions 2.2% (2.1%), and private companies 7.1% (6.8%). The percentage of non-Finnish holders and foreign shareholders registered in the nominee register was 22.0% (29.5%).

Major shareholders on December 31, 2025

(Does not include nominee registered shareholders or treasury shares)

	Number of shares	% of share capital
1. Solidium Oy	**14,031,000**	10.10
2. Varma Mutual Pension Insurance Company	**6,717,384**	4.84
3. Ilmarinen Mutual Pension Insurance Company	**4,505,678**	3.24
4. Elo Mutual Pension Insurance Company	**1,785,000**	1.28
5. Nordea Nordic Small Cap Fund	**1,212,160**	0.87
6. Nordea Finland Fund	**941,795**	0.68
7. The State Pension Fund	**900,000**	0.65
8. Evli Finnish Small Cap Fund	**751,354**	0.54
9. OP-Henkivakuutus Ltd.	**622,192**	0.45
10. OP-Finland Index Fund	**539,874**	0.39

Changes in ownership

In 2025, Nokian Tyres plc received 17 notifications of change in shareholding pursuant to Chapter 9, Section 5 of the Securities Markets Act. The details of the notifications are available at company.nokiantyres.com/news-and-media/press-releases.

Shares owned by the Board members on December 31, 2025

(Including own holdings and controlled entities)

Board of Directors	Number of shares
Jukka Hienonen, Chair	59,625
Elina Björklund, Deputy Chair	8,740
Susanne Hahn, member	17,180
Markus Korsten, member	9,338
Elisa Markula, member	9,152
Antti Mäkinen, member	3,501
Jouko Pölönen, member	42,430
Total	**149,966**

Shares owned by the President and CEO on December 31, 2025

(Including own holdings and controlled entities)

President and CEO	Number of shares
Paolo Pompei	11,674

On December 31, 2025, Nokian Tyres' Board members and the President and CEO held a total of 161,640 Nokian Tyres shares. The shares represent 0.12% of the total number of votes.

Shares owned by the Management Team members on December 31, 2025

(Including own holdings and controlled entities)

Management Team	Number of shares
Tommi Alhola, Passenger Car Tyres, Central Europe	1,451
Elisa Erkkilä, Legal and Compliance	0
Tron Gulbrandsen, Passenger Car Tyres, Nordics and Heavy Tyres (interim)	0
Lauri Halme, Vianor	1,765
Jari Huuhtanen, Finance	1,643
Adrian Kaczmarczyk, Operations	3,420
Jukka Kasi, Products and Innovations	48,616
Päivi Leskinen, Human Resources	1,182
Christopher Ostrander, Passenger Car Tyres, North America	13,400
Total	**71,477**

Managers' transactions

In 2025, Nokian Tyres announced managers' transactions on February 10, February 17 and May 9. The details of the transactions are available at company.nokiantyres.com/news-and-media/press-releases.

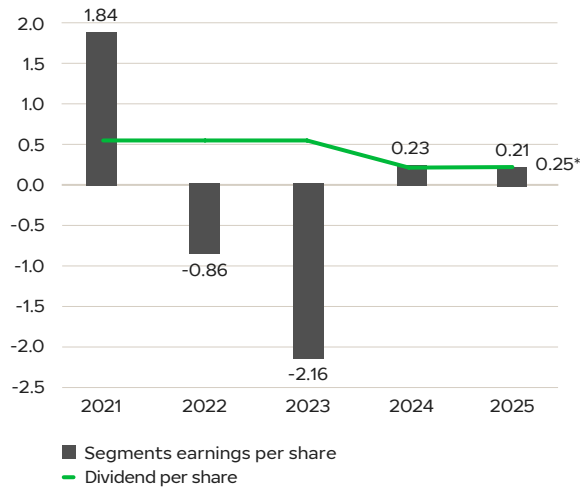
Decisions of the Annual General Meeting 2025

Nokian Tyres' Annual General Meeting was held on May 7, 2025 at Finlandia Hall in Helsinki, Finland. The Annual General Meeting approved all proposals made by the Board of Directors and the Shareholders' Nomination Board. The details of the decisions of the Annual General Meeting are available at company.nokiantyres.com/news-and-media/news-article/decisions-of-the-annual-general-meeting-of-nokian-tyres-plc.

Dividend

The Annual General Meeting decided on a distribution of dividend of EUR 0.25 per share. The dividend was paid on May 20, 2025, to shareholders who were registered in the company's shareholders' register maintained by Euroclear Finland Oy on the dividend record date on May 9, 2025.

Segments earnings per share and dividend per share, EUR



*The Board's proposal to the Annual General Meeting.

Authorizations

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of a maximum of 13,800,000 of the company's own shares, corresponding to approximately

9.9 percent of all shares. The authorization allows for directed repurchases and the shares may be repurchased using unrestricted shareholders' equity at the market price formed in public trading.

The Annual General Meeting further authorized the Board of Directors to decide on the issuance of shares and of special rights entitling to shares, in one or several tranches, of a maximum of 13,800,000 shares, corresponding to approximately 9.9 percent of all shares.

The Annual General Meeting also authorized Board of Directors to decide on donations in the aggregate maximum amount of EUR 250,000 to be made to universities, institutions of higher education or to other non-profit or similar purposes.

All authorizations remain in effect until the next Annual General Meeting, however at the latest until June 30, 2026. The Board had not used these authorizations by the end of 2025.

Composition of the committees of the Board of Directors

In its organizing meeting on May 7, 2025, the Board of Directors elected:

- Jouko Pölönen as the Chair and Elisa Markula and Antti Mäkinen as members of the Audit Committee
- Elina Björklund as the Chair and Susanne Hahn and Jukka Hienonen as members of the People and Sustainability Committee
- Christopher Ostrander as the Chair and Markus Korsten and Jukka Hienonen as members of the Investment Committee.

On August 29, 2025, Christopher Ostrander resigned from the Board of Directors. The Board of Directors elected Elina Björklund as a new member of the Investment Committee. Markus Korsten was elected as the Chair of the Committee and Jukka Hienonen continues as a member of the Committee.

Shareholders' nomination board

In June 2025, the following members were appointed to Nokian Tyres' Shareholders' Nomination Board:

- Mr. Petter Söderström (Investment Director, Solidium Oy), appointed by Solidium Oy
- Mr. Mikko Mursula (CEO, Ilmarinen Mutual Pension Insurance Company), appointed by Ilmarinen Mutual Pension Insurance Company
- Mr. Timo Sallinen (Director, Head of Listed Securities, Varma Mutual Pension Insurance Company), appointed by Varma Mutual Pension Insurance Company
- Mrs. Jonna Ryhänen (Chief Investment Officer and Deputy CEO, Elo Mutual Pension Insurance Company), appointed by Elo Mutual Pension Insurance Company
- Mr. Jukka Hienonen, Chair of the Board of Directors, Nokian Tyres plc

Changes in the Board of Directors and Management

Paolo Pompei started as Nokian Tyres' President and CEO on January 1, 2025.

In February 2025, Nokian Tyres announced changes to its Management Team to increase consumer focus, global synergies and operational excellence. New members joining the Management Team were Tommi Alhola (Passenger Car Tyres, Central Europe) and Lauri Halme (Passenger Car Tyres, North America). The new Management Team structure enables a dedicated focus on Nokian Tyres' growth regions to achieve the company's financial targets. As part of the organizational changes, the company reorganized all manufacturing facilities under one leadership and combined Marketing and Communications in one strategic global function.

In May 2025, Nokian Tyres announced that Niko Haavisto, Nokian Tyres CFO and member of the Management Team, had decided to leave the company. Jari Huuhtanen, VP, Group Business Control, was appointed interim CFO as of June 1, 2025.

Further leadership changes were announced in July 2025, and became effective as of September 1, 2025, reflecting Nokian Tyres' sharpened commercial focus and commitment to strategic growth:

- Christopher Ostrander was appointed SVP, Passenger Car Tyres, North America and a member of the Nokian Tyres Management Team.
- Lauri Halme was appointed SVP, Vianor, continuing as a member of the Nokian Tyres Management Team.
- Tron Gulbrandsen was appointed SVP, Passenger Car Tyres, Nordics, and a member of the Nokian Tyres Management Team.

Due to his appointment to Nokian Tyres SVP, Passenger Car Tyres, North America, Christopher Ostrander resigned from the Board of Directors on August 29, 2025. After Ostrander's resignation Nokian Tyres Board of Directors comprises seven members.

Manu Salmi, EVP, Heavy Tyres; SVP, Manufacturing (interim), and a member of the Management Team left the company on September 17, 2025. His responsibilities were reassigned on an interim basis through internal arrangements reporting to President and CEO Paolo Pompei (Manufacturing) and Tron Gulbrandsen (Heavy Tyres).

Corporate sustainability

In February 2025, Nokian Tyres scored an A- from CDP for its actions aimed at reducing greenhouse gas emissions and mitigating climate change-related risks. Scores A and A- represent leadership level. This is the fifth consecutive year that Nokian Tyres has received an A- for its climate work.

In February 2025, Nokian Tyres' factory in Oradea, Romania obtained the International Sustainability and Carbon Certification (ISCC) PLUS. With the certification, Nokian Tyres is able to utilize sustainable, ISCC PLUS certified raw materials

in its tires. Using certified materials supports the company in reaching one of its key sustainability goals, which is to increase the share of recycled or renewable raw materials in its tires to 50 percent by 2030. Nokian Tyres' passenger car tire factory in Nokia, Finland obtained the ISCC PLUS certification in 2024.

In February 2025, Nokian Tyres announced that it is to lead the five-year-long FUTUREPROOF research, development and innovation program to confront the key challenges of future mobility. The FUTUREPROOF ecosystem is aiming to involve over 100 partners. In the program, Nokian Tyres and the ecosystem partners will tackle issues such as improving the safety and sustainability of Finnish and European mobility, reducing emissions throughout the entire supply chain, developing advanced driving solutions and accelerating the implementation of Industry 5.0.

In March 2025, Nokian Tyres launched the new Nokian Tyres Seasonproof 2 all-season tire range that contains up to 38% of renewable, recycled and ISCC PLUS certified materials. It is the company's first tire in commercial production with such a high share of renewable and recycled materials. For example, the resin and silica used in the tire are from renewable resources. Recycled materials include carbon black and steel.

In March 2025, Nokian Tyres published the Sustainability Statement as part of the 2024 Report by the Board of Directors. The Sustainability Statement was prepared in accordance with the Corporate Sustainability Reporting Directive, and it is available at **company.nokiantyres.com/investors/reports-and-presentations**.

In June 2025, Nokian Tyres was recognized by TIME magazine as one of the world's most sustainable companies. Nokian Tyres was ranked 98th on the list that includes 500 companies around the globe with outstanding commitment to environmental and social responsibility.

Long-term share-based incentive schemes

Commencement of new plan periods

In February 2025, the Board of Directors approved the commencement of a new plan 2025–2027 of the Restricted Share Plan ("RSP"). RSP scheme serves as a complementary long-term incentive tool, used selectively for retention of Nokian Tyres key employees.

RSP 2025–2027 includes a three-year restriction period, with potential rewards delivered in 2028 in shares of Nokian Tyres. The aggregate number of shares to be paid based on RSP 2025–2027 is a maximum of 120,000 shares.

In May 2025, the Board of Directors approved the commencement of a new plan 2025–2026 of the Performance Share Plan ("PSP"). PSP is a long-term incentive tool, used selectively for retention of Nokian Tyres key employees.

PSP 2025–2026 includes a two-year performance period, and one year restriction period (2027). The performance targets are average earnings per share (EPS), average return on capital employed (ROCE%) and reduction of Scope 1 & 2 CO_2 emission intensity. Subject to achieving the performance targets, share rewards will be delivered in spring 2028. The aggregate maximum number of shares to be paid based on PSP 2025–2026 is 1,657,000 shares. The reward will be paid in shares of Nokian Tyres. Number of participants included in PSP 2025–2026 is 85.

Payments for share-based plans that ended in 2024

The Board of Directors made the following decisions concerning share-based rewards payable under the long-term incentive schemes:

- PSP 2022–2024: No share-based rewards were paid under the plan as the targets were not reached.
- RSP 2022–2024: In total 11,500 shares of the company were granted without consideration to key employees in accordance with the terms and conditions of the plan. The shares were acquired from the market on behalf of the recipients. The transfers took place on March 6, 2025 (5,500 shares) and on August 6, 2025 (6,000 shares).

Significant risks, uncertainties, and ongoing disputes

Several uncertainties can impact Nokian Tyres' business and financial performance. The Group has adopted a risk management policy, approved by the Board of Directors, which supports the achievement of strategic goals and ensures business continuity. The risk management process aims to identify and evaluate threats and opportunities and to plan and implement practical measures for each risk. Nokian Tyres describes the overview of its risk management systems in the Corporate Governance Statement.

For example, the following risks could potentially have an impact on Nokian Tyres' business:

Economic and geopolitical uncertainty
Nokian Tyres is exposed to risks related to consumer confidence and macroeconomic and geopolitical conditions. International tensions and increasing global uncertainty may lead to economic recession, create trade barriers such as tariffs, and cause global or regional crises that may significantly affect product demand or cause widespread disruptions in production and supply chain. These factors may adversely affect Nokian Tyres' financial performance and the collection of trade receivables.

Risk mitigation measures: continuous monitoring of the operating environment and markets. The company's ability to respond quickly and adapt its operations to a changing environment. Creating a balanced manufacturing platform. Acting in accordance with the contingency plan.

Changes in consumer behavior
The weakening of consumer confidence has shifted demand towards more affordable products and delayed purchase decisions. The tire wholesale and retail landscape is evolving with digitalization to meet changing consumer needs. Nokian Tyres aims to adapt to changes in the sales channel and to innovate and develop new products and services that appeal to customers and consumers. Despite extensive testing of products, issues related to product quality and inability to meet customer needs or demands of performance and safety can harm Nokian Tyres' reputation and brand, thereby negatively affecting the company's financial profitability and growth opportunities.

Risk mitigation measures: ensuring high-quality research and development. Continuously monitoring markets and consumer needs to anticipate consumer preferences. Sufficient resources for product testing. Developing distribution channels and network.

Production and commercial operations in Europe
To ensure tire availability, Nokian Tyres is investing in new zero-CO_2-emissions (Scope 1 & 2) production capacity in Romania. While commercial production has commenced as planned, temporary delays in ramping up production processes or challenges related to commercial execution in a competitive market may negatively impact Nokian Tyres' financial performance and growth opportunities, especially in Central Europe.

Risk mitigation measures: close monitoring of the ramp-up, markets and consumer needs. Preparation and continuous follow-up of a risk management plan. Ability to quickly react to significant changes. Retention and recruitment of skilled personnel.

Currency market
Nokian Tyres' operations are exposed to currency risks arising from currency transactions and the translation of subsidiary financial statements, which may affect Nokian Tyres' results and profitability. The most significant currency risks are caused by the Swedish krona, the Norwegian krone, the US and Canadian dollars and the Romanian leu. Approximately 60 percent of the Group's sales are generated outside the euro-zone. The most significant net investments in foreign operations are in the US and Romania. A weakening of the US dollar benefits Nokian Tyres in currency transactions due to its net-buy position, but it has a negative impact through translation exposure. The impact of fluctuations in the Romanian leu primarily arises through translation exposure. Expenses in the Swedish, Norwegian, and Canadian subsidiaries are predominantly incurred in local currencies, which mitigates the impact of currency fluctuation on sales denominated in those currencies.

Risk mitigation measures: hedging against the effects of exchange rate fluctuations according to the hedging strategy.

Information technology and cybersecurity
The availability of information systems and network services is crucial to Nokian Tyres. Unplanned interruption in critical information systems and network services may cause disruption to the continuity of operations. These systems and services may also be exposed to cyberattacks, which may lead to a leakage of confidential information, violation of data privacy regulations or intellectual property rights, production and delivery interruptions, or reputational damage. Risk analyses and projects related to cybersecurity, data protection, and customer information are continuously a special focus area for the company.

Risk mitigation measures: sufficient investments and resources in IT infrastructure and capabilities, as well as cybersecurity. Appropriate plans to respond to disruptions in information systems and network services, including backup systems and recovery plans. Continuous monitoring of cybersecurity and data protection and vulnerability management. Employee training.

Diversified customer base
Ensuring a diversified customer base and fostering strong customer relationships help reduce sales risk and create long-term business stability. Excessive concentration of the customer base can make the company dependent on a limited number of large customers, exposing the business to risks and potentially leading to a decline in sales and profitability.

Risk mitigation measures: continuous monitoring of the markets and proactive response to changes in the customer base. Deepening cooperation with existing key customers, for example, in the development of new products. Expanding the customer base geographically and in selected segments within current markets. Developing the distribution network and services, especially in key growth areas.

Environment, social responsibility and governance
Various aspects of corporate sustainability, including product quality, safety, the environment, and human rights, are increasingly important. Legislation and regulation, particularly around environmental, social responsibility and governance (ESG) issues, are increasing and placing additional requirements to all actors in the value chain. Non-compliance with laws, regulations, or standards by Nokian Tyres or its suppliers, customers, or partners, neglecting new and tightening requirements, or incorrectly interpreting them may result in additional costs for Nokian Tyres or lead to fines and damage the company's reputation and brand. Over-reliance on individual suppliers increases the risk related to the availability of sustainable raw materials.

Risk mitigation measures: strong commitment to achieving ESG targets. Development and implementation of internal guidance, processes and training to ensure compliance. Active monitoring of upcoming laws and regulations. Expanding the supplier network. Regular environmental, human rights, and quality audits.

Climate change
Tire industry may be subject to risks caused by climate change, such as changes in consumer preferences and regulatory changes. Extreme weather events may also affect natural rubber production, and fluctuations in raw material prices as well as new environmental fees may increase, potentially impacting profitability. Nokian Tyres is committed to reducing GHG emissions annually from its operations to combat climate change.

Risk mitigation measures: increasing use of recyclable and renewable raw materials to cut GHG emissions and other environmental impacts. Membership in industry associations helps identify new sustainable product development and business opportunities.

Employee retention and competence
Nokian Tyres' success relies on employing the right people in the right positions. Failure to attract competent and committed professionals, coupled with an inability to provide a motivating work environment, may have an adverse impact on the implementation of Nokian Tyres' strategy and the achievement of its financial targets.

Risk mitigation measures: creating an attractive and safe workplace, including up-to-date work tools and competitive salaries and other benefits. Providing opportunities for career development. Developing employer brand to attract the best talent. Ensuring critical competencies and targeted recruitment.

Legal proceedings
In January 2024, the European Commission initiated an unannounced inspection at Nokian Tyres plc's headquarters in Nokia, Finland. The European Commission has expressed its concerns that the inspected tire manufacturing companies may have violated EU antitrust rules that prohibit cartels and restrictive business practices. Nokian Tyres does not have information on the outcome of the inspection, and it cannot comment on the ongoing investigation. Nokian Tyres is fully co-operating with the authorities.

Lawsuits in the United States and Canada followed the news of the European Commission inspection. Nokian Tyres was named as a defendant in these lawsuits, along with other tire manufacturers. The lawsuits allege violations by the defendants of antitrust laws with respect to new replacement tires for passenger cars, vans, trucks and busses sold in the relevant jurisdictions. The U.S. lawsuits have been consolidated to a multidistrict litigation in the U.S. District Court for the Northern District of Ohio. Nokian Tyres considers the lawsuits to be without merit, however, the ultimate outcome of which cannot be predicted at this time.

In May 2017, the Finnish Financial Supervisory Authority filed a request for investigation into possible securities market offences relating to alleged malpractices in magazine tests by Nokian Tyres. In October 2020 charges were filed against Nokian Tyres, its President and CEO and six Directors who served on the Board of Directors in 2015–2016, for securities market information offence. In addition, four employees of the company were charged with misuse of inside information. The District Court of Helsinki dismissed all charges in 2022. After an appeal, the Court of Appeal dismissed the charges against the company's former Directors. The former President and CEO was sentenced to a fine for a securities market information offence and the employees were sentenced to a fine or suspended imprisonment for misuse of inside information. The company was fined EUR 50,000 but was not found to have engaged in malpractices in magazine tests as alleged in the charges. The company decided not to apply for the leave.

Tax disputes
There are no ongoing tax disputes in Nokian Tyres entities. Routine tax audits in Nokian Tyres Group entities may possibly lead to a reassessment of taxes.

Matters after review period
On February 10, 2026, Nokian Tyres published its updated strategy and financial targets extending until the end of 2029. Further information is available on a stock exchange release available at **company.nokiantyres.com/investors/**.

The updated targets are:
- Net sales EUR 1.8–2.0 billion
- Segments EBITDA >24%
- Segments operating profit >15%
- Net debt/Segments EBITDA <2

Nokian Tyres' dividend policy remains unchanged. Nokian Tyres' target is to pay a dividend of at least 50% of its net earnings.

On January 14, 2026, Timo Koponen was appointed Nokian Tyres CFO and a member of the Management team. He will start in the position by April 15, 2026.

Guidance for 2026
In 2026, Nokian Tyres' net sales are expected to grow compared to the previous year and segments operating profit as a percentage of net sales to be 8–10%.

Assumptions for 2026

Tire demand in Nokian Tyres' markets is expected to remain flat in 2026. Development of global economy as well as geopolitical, trade and tariff uncertainties may cause volatility to the company's business environment. Nokian Tyres' profitability improvement is supported by new high-performing products, price/mix and efficiency improvements.

The proposal for the use of profits by the Board of Directors

The distributable funds in the Parent company total EUR 742.6 million.

The Board of Directors proposes to the 2026 Annual General Meeting that the distributable funds are to be used as follows:

a dividend of	0.25 EUR/share
be paid out, totaling	EUR 34.5 million
retained in equity	EUR 708.1 million
Total	EUR 742.6 million

The Board of Directors proposes that a dividend of EUR 0.25 per share shall be paid to shareholders who are registered in the company's shareholder register maintained by Euroclear Finland Oy on the dividend record date of March 27, 2026. The payment date proposed by the Board of Directors is April 15, 2026.

No material changes have taken place in the financial position of the company since the end of the financial year. The liquidity of the company is good, and the proposed distribution of profits does not compromise the financial standing of the company as perceived by the Board of Directors.

Notice to the 2026 Annual General Meeting will be published on February 10, 2026.

Corporate Governance Statement, Remuneration Report and Sustainability Statement

Nokian Tyres will publish the Corporate Governance Statement and the Sustainability Statement as part of the 2025 Report by the Board of Directors on its website at **company.nokiantyres.com** during the week commencing March 2, 2026.

The Remuneration Report will be published on the website at **company.nokiantyres.com** during the week commencing March 2, 2026.

Helsinki, February 10, 2026

Nokian Tyres plc
Board of Directors

Consolidated key financial indicators

Figures in EUR million unless otherwise indicated	2025	2024	2023*	2022	2021	2020	2019	2018	2017	2016
Net sales	**1,373.6**	1,289.8	1,173.6	1,350.5*	1,714.1	1,313.8	1,595.8	1,595.6	1,572.5	1,391.2
change, %	**6.5%**	9.9%	-13.1%	-21.2%*	30.5%	-17.1%	0.0%	1.5%	13.0%	2.3%
Operating margin (EBITDA)[1]	**178.1**	126.0	147.0	170.2*	425.6	275.9	441.7	465.8	463.7	395.2
Depreciation and amortization	**142.2**	124.2	114.9	110.1*	140.5	131.0	125.2	93.4	98.3	84.7
Impairments[2]	**-**	-	-	3.4*	17.0	24.9				
Operating profit (EBIT)	**35.8**	1.8	32.1	56.7*	268.2	120.0	316.5	372.4	365.4	310.5
% of net sales	**2.6%**	0.1%	2.7%	4.2%*	15.6%	9.1%	19.8%	23.3%	23.2%	22.3%
Profit before tax	**-15.9**	-31.5	14.2	11.2*	258.2	106.0	336.7	361.7	332.4	298.7
% of net sales	**-1.2%**	-2.4%	1.2%	0.0*	15.1%	8.1%	21.1%	22.7%	21.1%	21.5%
Return on equity, %	**-1.2%**	-1.7%	-23.4%	-11.5%*	13.1%	5.2%	24.6%	20.0%	15.1%	18.7%
Return on capital employed, %	**1.9%**	0.5%	2.2%	3.1%	13.7%	6.0%	17.6%	23.3%	22.4%	19.9%
Total assets	**2,313.8**	2,423.7	2,325.2	2,209.7	2,383.5	2,336.7	2,332.6	2,092.9	1,877.4	1,975.7
Interest-bearing net debt	**664.0**	613.1	223.6	140.9	-98.7	-17.2	41.1	-315.2	-208.3	-287.4
Equity ratio, %	**50.3%**	52.5%	58.0%	64.9%	68.4%	65.3%	75.9%	71.0%	78.2%	73.8%
Gearing, %	**57.0%**	48.2%	16.6%	9.8%	-6.1%	-1.1%	2.3%	-21.2%	-14.2%	-19.7%
Net cash from operating activities	**146.2**	77.4	82.4	-4.3	396.5	422.4	219.8	536.9	234.6	364.4
Capital expenditure	**126.9**	350.1	252.1	129.7	119.6	149.9	290.1	226.5	134.9	105.6
% of net sales	**9.2%**	27.1%	21.5%	9.6%	7.0%	11.4%	18.3%	14.2%	8.6%	7.6%
R&D expenditure	**26.2**	24.8	24.3	29.6	31.9	22.7	22.7	20.8	21.8	20.3
% of net sales	**1.9%**	1.9%	2.1%	2.2%	1.9%	1.7%	1.3%	1.3%	1.4%	1.5%
Dividends	**34.5**[3]	34.5	75.8	76.0	76.0	165.9	158.4	218.1	214.2	208.0
Personnel, average during the year	**4,176**	3,850	3,754	3,517*	4,941	4,859	4,942	4,790	4,630	4,433

*The figures for years 2023 and 2022 are comparable and present continuing operations.
[1]DA in EBITDA includes impairments from 2020 onwards.
[2]Impairments are presented from 2020 onwards.
[3]The Board's proposal to the Annual General Meeting.

Per share data

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Earnings per share, EUR	**-0.11**	-0.17	-2.36	-1.27	1.49	0.62	2.89	2.15	1.63	1.87
change, %	**-34.3%**	-93.0%	85.8%	-185.1%	140.2%	-78.5%	78.1%	32.4%	-13.0%	3.6%
Earnings per share (diluted), EUR	**-0.11**	-0.17	-2.36	-1.27	1.49	0.62	2.89	2.14	1.61	1.86
change, %	**-34.3%**	-93.0%	85.8%	-185.1%	140.2%	-78.5%	35.2%	32.5%	-13.2%	3.2%
Earnings per share continuing operations, EUR	**-0.11**	-0.17	0.09	0.11						
change, %	**-34.3%**	-282.8%	-17.9%	0.0%						
Earnings per share discontinued operations, EUR	**-**	-	-2.45	-1.38						
change, %	**-**	-100.0%	77.5%	0.00%						
Cash flow per share, EUR	**1.06**	0.56	0.60	-0.03	2.87	3.05	3.89	3.91	1.72	2.70
change, %	**88.9%**	-6.0%	-2020.0%	-101.1%	-6.0%	-21.5%	-0.7%	127.2%	-36.3%	27.4%
Dividend per share, EUR	**0.25**	0.25	0.55	0.55	0.55	1.20	1.14	1.58	1.56	1.53
Dividend pay out ratio, %	**-229.6%**	-150.9%	-23.3%	-43.3%	88.5%	192.9%	39.5%	73.9%	96.7%	82.6%
Equity per share, EUR	**8.44**	9.23	9.77	10.37	11.78	11.01	12.76	10.79	10.74	10.75
P/E ratio	**-86.9**	-44.4	-3.5	-7.5	22.3	46.4	8.9	12.5	23.3	19.0
Dividend yield, %	**2.6%**	3.4%	6.7%	5.7%	4.0%	4.2%	4.5%	5.9%	4.1%	4.3%
Market capitalisation Dec 31	**1,314.9**	1,021.1	1,147.5	1,330.9	4,626.1	4,003.7	3,560.6	3,702.9	5,188.7	4,814.0
Number of shares during the year, average, million units	**137.87**	137.87	137.98	138.25	138.22	138.46	138.17	137.26	136.25	134.86
diluted, million units	**137.87**	137.87	137.98	138.25	138.22	138.46	138.38	138.14	137.28	135.56
Number of shares Dec 31, million units	**137.88**	137.87	137.87	138.25	138.22	138.22	138.72	137.79	136.75	135.68
Number of shares entitled to a dividend, million units	**137.88**	137.87	137.87	138.25	138.22	138.22	138.92	138.07	137.28	135.93

Formulas for the key financial indicators

Definitions

Return on equity, % =	Profit for the period x 100 / Total equity (average)
Return on capital employed, % =	Profit before tax + interest and other financial expenses x 100 / Total assets (average)- non-interest-bearing debt
Equity ratio, % =	Total equity x 100 / Total assets - advances received
Gearing, % =	Interest-bearing net debt x 100 / Total equity
Earnings per share, EUR =	Profit for the period attributable to the equity holders of the parent / Average adjusted number of shares[1] during the year
Earnings per share (diluted[2]), EUR =	Profit for the period attributable to the equity holders of the parent / Average adjusted and diluted[2] number[1] of shares during the year
Cash flow per share, EUR =	Cash flow from operations / Average adjusted number of shares[1] during the year
Dividend per share, EUR =	Dividend for the year / Number of shares entitled to a dividend
Dividend pay-out ratio, % =	Dividend for the year x 100 / Net profit
Equity per share, EUR =	Equity attributable to equity holders of the parent / Adjusted number of shares[1] on the balance sheet date
P/E ratio =	Share price, Dec 31 / Earnings per share
Dividend yield, % =	Dividend per share / Share price, Dec 31

[1]Without treasury shares
[2]The share options affect the dilution as the average share market price for the financial year exceeds the defined subscription price

nokian TYRES

SUSTAINABILITY STATEMENT

General information 37
Environmental information 62
Social information 96
Governance information 125
ESRS content index 130
Additional sustainability disclosures 140

GENERAL INFORMATION

ESRS 2 General disclosures 38

GENERAL INFORMATION

ESRS 2 General disclosures

Sustainability is a part of Nokian Tyres' culture, strategy, and goals. The company's sustainability work is based on commitments, stakeholder dialogue, and the ambition to be a leader in sustainability. Daily work is guided by different standards and policies.

Nokian Tyres has been a member of the UN Global Compact since 2015. The UN's 17 Sustainable Development Goals (SDGs) were created to promote prosperity while protecting the environment, and the goals provide a tool to examine sustainable business in the long term. Nokian Tyres has determined seven SDGs that are important for the company.

Nokian Tyres will evaluate its non-financial targets in 2026.

Nokian Tyres' targets handled in this report

Topic	Target	Status at the end of 2025
E1 Climate change	• Near-term climate targets for 2030 and net-zero targets for 2050, approved by the Science Based Targets initiative*	Proceeding as planned
	• At least 60 products in the best rolling resistance A class by 2028	13 products in A class
E2 Pollution	• No substances of very high concern (SVHC) in products	Achieved
	• Two audits by chemical specialists at all Nokian Tyres' tire factories each year to ensure chemical and environmental safety	Partly achieved
	• VOC emissions under the limits defined in permits	Achieved
	• Particle emissions from tire factories under the limits defined in permits	Achieved
	• No accidental discharges from factories into water or soil	Achieved
E4 Biodiversity and ecosystems	• Maintain the status that 100 percent of natural rubber processor suppliers are either GPSNR members or signed Nokian Tyres sustainability commitment	Achieved
E5 Resource use and circular economy	• Increase the share of renewable and recycled raw materials in tires to 50 percent by 2030*	28.3 percent
	• Ensure that 100 percent of tire production waste continues to be utilized	Achieved
S1 Own workforce	• Increase manager's competence on Nokian Tyres' rewarding guidelines and practices. Measured through training attendance, targeting for over 60 percent attendance of all managers in 2025	Attendance: 30 percent
	• Improve job rotation, such as percentage of transfers and promotions, base measured in 2025	Base: 16 percent
	• Continuous improvement of the sentiment of equal opportunities, related to personnel survey question "Regardless of background, everyone at our company has an equal opportunity to succeed", baseline 2021: 65	64
	• Decrease lost-time incident frequency (LTIF) from 8.3 (2018) to 1.5 by 2025*	Not achieved; LTIF: 3.7
S2 Workers in the value chain	• Uphold the status of having 100 percent of sustainability high-risk suppliers audited by performing at least five sustainability audits*	Achieved
	• Ensure that 100 percent of natural rubber processor suppliers continue to be either Global Platform for Sustainable Natural Rubber (GPSNR) members or signed Nokian Tyres sustainability commitment	Achieved
S4 Consumers and end users	• Ensure that 100 percent of premium passenger car tires in the selected scope continue to achieve an A or B class wet grip rating in the EU Tyre Labeling system and that all of the Nokian Tyres Hakkapeliitta products meet the EU ice grip requirements	Achieved

* Non-financial targets confirmed together with the financial targets.

BP-1 Basis for preparation of the Sustainability Statement

The Sustainability Statement has been prepared on a consolidated basis for the entire Nokian Tyres Group, scope of consolidation being the same as for the Financial Statements including the parent company and all the companies in which the group directly or indirectly holds more than 50 percent of the votes unless otherwise stated in connection with the disclosed information.

The Statement also includes information about the upstream and downstream value chain related to the relevant material impacts, risks, and opportunities identified in the double materiality assessment. Selected policies, actions, and targets extend to the value chain as well.

Nokian Tyres has exercised the option to omit sensitive information concerning its manufacturing partners and specific datapoints 31 a and 31 c of the disclosure requirement E5-4.

BP-2 Disclosures in relation to specific circumstances

Time horizons

Reporting complies with the medium- or long-term time horizons defined by ESRS 1 section 6.4.

Value chain estimation

Several estimations are used in the calculation of Scope 3 emissions data, including, for example, the use of general emissions factors and averages. This affects the accuracy of calculations. The calculation principles are based on Nokian Tyres' GHG inventory, and they are presented in more detail under the disclosure requirement **E1-6**.

To enhance data quality, Nokian Tyres increasingly sources emissions data directly from raw material suppliers and transport companies, replacing generic emissions factors with actual figures in its calculations.

Sources of estimation and outcome uncertainty

All sources of estimation with a high level of measurement uncertainty are related to value chain emissions.

Changes in preparation or presentation of sustainability information

In 2025, the calculation of Scope 1 and 2 emissions improved, as some estimates were more precise due to better data availability. Find more information about this under **E1-6**.

Compared to 2024, there has been a change in the calculation method for the amounts of chemicals reported under the disclosure requirement **E2-5**. The calculation method has been improved after consulting chemical experts, and restated figures for 2024 are available in the table "Substances of concern in 2025, main hazard classes".

Reporting errors in prior periods

There was a human error in 2024 reporting of substances of concern under the disclosure requirement **E2-5**. The amounts of chemicals were reported under the wrong hazard classes, and one column in the table also had a wrong header. Thus, all data from 2024 has been restated.

Under **S1-14**, there was also a human error in reporting the number of cases of recordable work-related ill health of employees.

Disclosures stemming from other legislation or sustainability reporting pronouncements

The Statement includes additional disclosures on sustainability. The information is provided in accordance with the GRI standard, ESG rating requirements from S&P Global, and with the requirements of local legislation. This supplemental information is indicated visually with a round plus mark and the text "additional, non-material information". Some of the information is related to the material topics and thus placed among the topical ESRS disclosures. Information related to non-material topics is presented in the section "**Additional sustainability disclosures**".

Incorporation by reference

There are no disclosures incorporated by reference. However, matters related to strategy and business model, risk management and internal controls, and remuneration are elaborated further in other parts of the Report by the Board of Directors and Remuneration Report.

Use of phase-in provisions

Nokian Tyres has used phase-in provisions regarding information related to ESRS sectors (SBM-1 40 b and c), information on anticipated financial effects (SBM-3 48 e, E1-9, E2-6, E4-6, and E5-6), disclosure requirement S1-12, and datapoint S1-15 93 b.

GOV-1 Sustainability governance at Nokian Tyres

The Board of Directors is responsible for the corporate governance of the company and the organization of its operations. The President and CEO, appointed by the Board of Directors, is responsible for day-to-day management of the company in accordance with the instructions and guidelines of the Board of Directors.

At the end of 2025, there were seven non-executive members in the Board of Directors. There was no employee representation on the Board of Directors. The President and CEO was an executive director.

The members of the Board of Directors have relevant experience in the following: CEO experience, international experience especially in the Nordic, Central European and North American markets, tire industry, consumer goods industry, financing, corporate risk management, and corporate governance.

At the end of 2025, the Board of Directors had four male (57.1%) and three female members (42.8%) and two different nationalities. The age range was between 49–64 years. The President and CEO was male and held Italian citizenship. The members of the Board of Directors and the President and CEO showed diversity in the following aspects:

Diversity factors	Details
Age	Under 30 years old: 0% 30–50 years old: 12.5% Over 50 years old: 87.5%
Gender	Female: 37.5% Male: 62.5%
Nationality	Finnish: 62.5% German: 25% Italian: 12.5%
Expertise	Expertise in the tire industry: 25% CEO experience: 100% Leadership experience: 100%
Education	M.Sc. in Economics: 75% MBA: 12.5% Dipl. Ing. in Physics: 12.5% Master of Laws: 12.5%

All members of the Board of Directors were independent of the company and of all major shareholders in the company; however, Antti Mäkinen was deemed independent of Solidium Oy starting from June 1, 2025.

The Board of Directors is the highest body overseeing sustainability, including the impacts, risks and opportunities. The Board of Directors approves the key targets as well as the company's policies guiding the company's operations and internal control. The Board of Directors' People and Sustainability Committee (PSC), among other things, prepares sustainability topics for the Board of Directors and monitors developments in the operating environment and regulation relating to sustainability.

All members of the PSC are independent of the company and of all major shareholders of the company. The PSC has no independent decision-making power; collective decisions are made by the Board of Directors.

Nokian Tyres' sustainability work is led by the Senior Vice President, Operations, who is a member of the Management Team. The Sustainability Steering Group supervises and monitors the sustainability work within the group and comprises of senior representatives from Operations, Products & Innovations, Legal & Compliance, Finance, Human Resources, and Communications functions. The Greenhouse Gas (GHG) Steering Group supervises and monitors the progress in reducing greenhouse gas emissions within the group. The GHG Steering Group comprises of senior representatives from Operations, Production, Products & Innovations, Production Technology, and Procurement. The duties of all supervisors include day-to-day leadership of sustainability.

Sustainability matters are reported to the PSC. The PSC regularly reviews the progress of the company's sustainability program with management and oversees the sustainability reporting process.

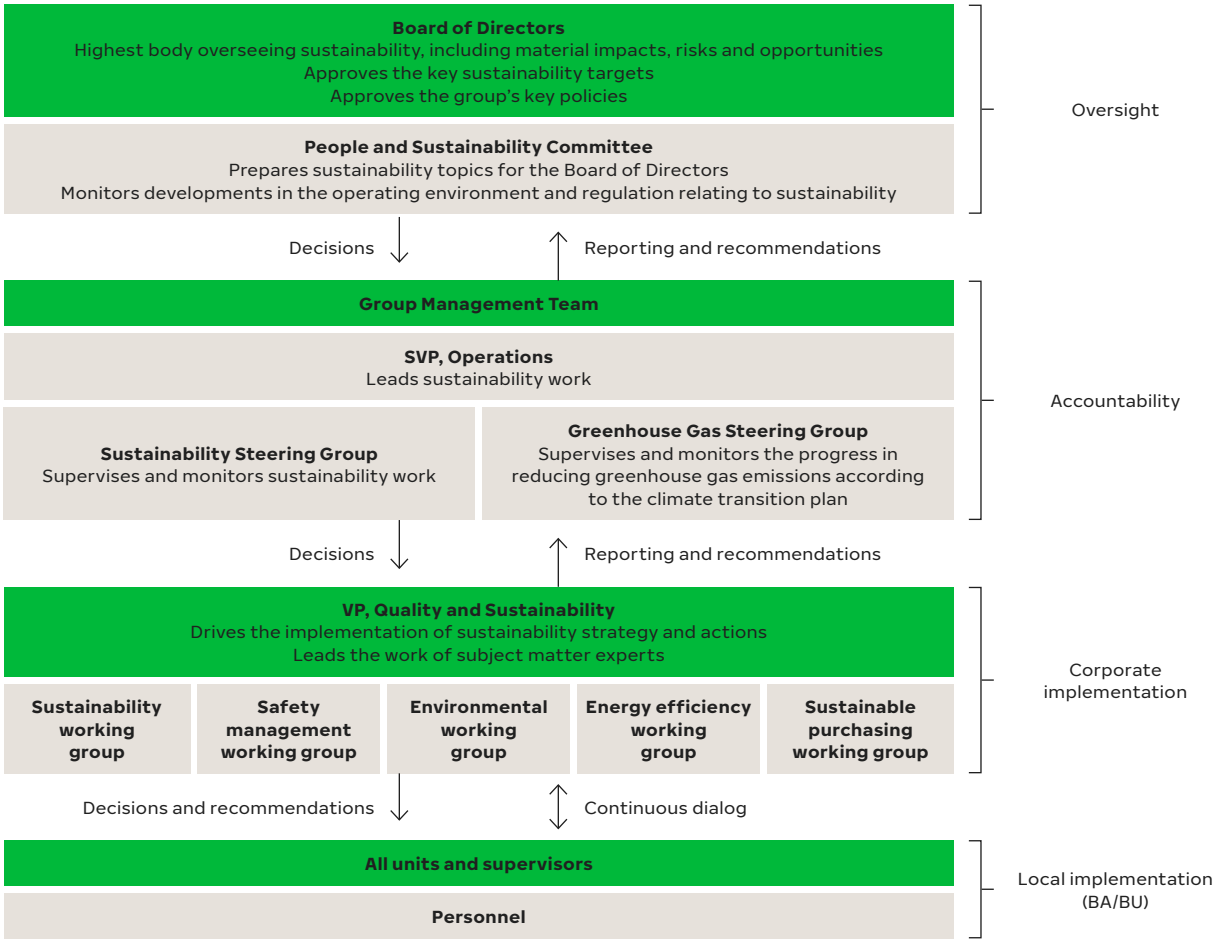
The Board of Directors brings relevant expertise in leadership, strategy development and execution, governance, risk management, remuneration, communications, and stakeholder relations. These competencies support the systematic and successful development and implementation of the company's sustainability program.

Committee work within the Board of Directors enables deeper sustainability expertise. Internal and external sustainability professionals may be invited to speak at committee meetings, and topic-specific presentations and trainings are organized as needed, including on material topics.

As for business conduct, the Board of Directors is responsible for Nokian Tyres' corporate governance and the organization of its operations pursuant to the Finnish Limited Liability Companies Act and other regulations. The Board of Directors holds the general authority to lead and represent the company unless the matter belongs to the General Meeting of the shareholders pursuant to the applicable law or the Articles of Association. The policies and key tasks of the Board of Directors are defined in the Finnish Limited Liability Companies Act, the Articles of Association, and the Board of Director's Charter.

The President and CEO conducts the company's business and manages the company's operations in accordance with the Finnish Limited Liability Companies Act and the instructions and guidelines provided by the Board of Directors. The President and CEO is responsible for informing the Board of Directors regarding the development of the company's business and financial situation, and for preparing the company's strategy and objectives for the approval of the Board of Directors.

Managing sustainability at Nokian Tyres



The President and CEO is responsible for implementing the approved strategy and plans, ensuring the company's bookkeeping complies with legal requirements, and arranging reliable asset management.

The Board of Directors and the President and CEO have expertise in areas such as strategic leadership, tire industry, consumer goods industry, corporate governance, risk management, and operational efficiency, which are crucial for effective business conduct at Nokian Tyres.

GOV-2 Addressing sustainability matters

The Board of Directors' People and Sustainability Committee (PSC) is tasked to assist the Board of Directors by reviewing and preparing sustainability matters for the Board of Directors. The PSC's key responsibilities include reviewing and preparing sustainability plans and results, monitoring the company's double materiality assessment, and ensuring the integrity of sustainability reporting through assurance processes. The PSC keeps track of developments in the operating environment and regulations related to sustainability reporting, as well as reviews relevant policies and procedures. The effectiveness of the company's internal control and risk management systems regarding sustainability reporting are also monitored. Lastly, monitoring employee well-being, health, safety, and the development of diversity within the work community are essential aspects of the PSC's sustainability management.

To maintain regular information flow, sustainability matters are regularly included in the agenda of the PSC meetings. The Vice President, Quality and Sustainability reports sustainability matters to the PSC two to four times a year or as needed.

In 2025, the Board of Directors approved the results of the double materiality analysis and reviewed key impacts, risks, and opportunities. Updates of the planned and ongoing key sustainability actions were presented to them as well.

After the end of the reporting period, the Board of Directors approved Nokian Tyres' climate transition plan to address greenhouse gas emissions.

Nokian Tyres adheres to an Enterprise Risk Management (ERM) Policy that applies across all group companies and functions, ensuring that risks and opportunities are systematically identified, assessed, and managed at every organizational level. The ERM framework is integrated into the company's overall management and internal control system to minimize adverse impacts and leverage opportunities. The Board of Directors and its Committees discuss the most significant sustainability risks and opportunities, risk appetite, and related measures in connection with the strategy process and decisions related to business objectives and major investments. Material sustainability-related risks presented to the Board of Directors during the 2025 strategy process were in line with the double materiality assessment results.

GOV-3 Integrating sustainability-related performance in incentive schemes

Nokian Tyres Remuneration Policy outlines the compensation framework for both the Board of Directors and the President and CEO. This policy was approved at the Annual General Meeting in 2024. The Board of Directors is responsible for supervising the company's remuneration practices – including sustainability-related incentives – and for approving the remuneration for the President and CEO and the Management Team.

The Remuneration Policy links sustainability-related performance measurements with the company's incentive schemes. This integration ensures that management's remuneration is partly based on achieving sustainability targets, aligning the interests of management, the company, and its stakeholders.

Nokian Tyres operates several incentive plans, both short- and long-term, with a clear focus on sustainable value creation. The company's main long-term incentive plan, the Performance Share Plan, uses performance criteria that include a sustainability-related goal. The reduction of Scope 1 and 2 carbon dioxide equivalent (CO_2e) emissions carries 10 percent weight of the total of 100 percent target setting within long-term incentives, underlining its importance in the overall evaluation.

GOV-4 Statement on due diligence

Nokian Tyres' due diligence processes cover environmental and social responsibility as well as business conduct matters. The due diligence processes are aligned with regulations and the company's commitments to international frameworks, such as the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The following table provides an overview of the information related to the due diligence processes in this Sustainability Statement.

Core elements of due diligence	Location in the Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	Nokian Tyres' human rights and environmental experts have defined the company's due diligence process and oversee its integration across the company's operations. **GOV-1**, **E1-2**, **E2-1**, **E4-2**, **E5-1**, **S1 SBM-3**, **S1-1**, **S2 SBM-3**, **S2-1**, **S4 SBM-3**, **S4-1**, **G1-1**, **G1-2**
b) Engaging with affected stakeholders in all key steps of the due diligence	Nokian Tyres maintains continuous dialogue with its employees. The company engages with value chain workers during sustainability audits and through industry associations. Consumers' and end users' views are heard through Nokian Tyres' customers, Vianor, and different communication channels. **ESRS 2 SBM-2**, **S1-2**, **S2-2**, **S4-2**
c) Identifying and assessing adverse impacts	Nokian Tyres' double materiality assessment identifies material adverse impacts in the company's operations and value chain. Also systematic impact and risk assessments are conducted. **IRO-1**, **E4 SBM-3**, **S2-1**
d) Taking actions to address those adverse impacts	Nokian Tyres addresses material impacts identified in the DMA and also collaborates with suppliers, industry associations, and other stakeholders for continuos improvement. **E1-1**, **E1-3**, **E2-2**, **E4-3**, **E5-2**, **S1-4**, **S2-4**, **S4-4**
e) Tracking the effectiveness of these efforts and communicating	Nokian Tyres reports on key metrics and works to increase the natural rubber supply chain traceability. **E1-6**, **E2-3**, **E4-4**, **E5-3**, **S1-5**, **S2-4**, **S2-5**

GOV-5 Risk management and internal controls over sustainability reporting

Nokian Tyres' Enterprise Risk Management Policy provides a structured framework for managing risks related to sustainability reporting. At Nokian Tyres, a risk is defined as an uncertain event and its consequences, caused by an external or internal factors, which may be either a threat or an opportunity. Risk assessment is a continuous process of identifying, assessing, controlling, and monitoring risks. A risk assessment is needed to identify and prioritize risks for internal controls.

To ensure that Nokian Tyres' risk management and internal control framework is effective for sustainability reporting, the evaluation of the processes for all material areas of sustainability reporting continued in 2025. This included reassessment of existing controls and identification of additional controls within the processes. Based on the outcomes of the evaluation, data-owning functions improved internal processes and reporting practices.

The main risks identified in sustainability reporting relate to the accuracy and completeness of certain metrics as the reporting is based on multiple data sources, including manual inputs and calculations. To mitigate these risks, Nokian Tyres has implemented several targeted measures to strengthen its internal control environment. These include clearly defined roles and responsibilities, systematic data collection and reconciliations at critical reporting stages, segregation of duties, and both quantitative and qualitative data reviews by data owning functions, the Vice President, Quality and Sustainability, Sustainability Steering Group, and the People and Sustainability Committee.

SBM-1 Sustainability is integrated into Nokian Tyres' strategy

Nokian Tyres' product portfolio includes winter, summer, all-weather, and all-season tires for passenger cars as well as special tires, wheels and retreading materials for heavy-duty machinery, trucks and buses. The Vianor chain provides tire and car services.

In 2025, Nokian Tyres' products were sold in 47 countries. Nokian Tyres' key markets are the Nordic countries, where the company is the market leader in premium passenger car tires, and North America and Central Europe, where the company seeks growth. Nokian Tyres' direct customers are business customers, the most significant of which are tire dealers, car dealerships, and vehicle manufacturers. Vianor service centers operate in Finland, Sweden, and Norway, serving both business customers and end users.

At the end of 2025, Nokian Tyres employed 3,959 people, of which 2,659 in the Nordic countries, 579 in North America, and 721 in Central Europe.

Nokian Tyres' sustainability-related goals regarding significant product groups and stakeholder relationships are the following:

- Maintain the status that tires do not contain Substances of Very High Concern as defined by the REACH regulation
- Increase the share of renewable or recycled raw materials in tires to 50 percent by 2030
- Increase the number of products in the best rolling resistance A class to (at least) 60 by 2028
- Maintain the status that 100 percent of premium tires of the selected scope are in the best wet grip A or B class in the EU Tyre Labelling and that all of the Nokian Tyres Hakkapeliitta products meet the EU ice grip requirements
- Decrease lost-time incident frequency (LTIF) from 8.3 (2018) to 1.5 by 2025
- Develop personnel well-being
- Maintain the status that 100 percent of sustainability high-risk suppliers have been audited
- Maintain the status that 100 percent of natural rubber processor suppliers are either GPSNR members or have signed Nokian Tyres' sustainability commitment.

In 2025, Nokian Tyres' tires did not contain Substances of Very High Concern. The share of renewable and recycled raw materials was 28.3 percent at the end of 2025. There were 13 products in the rolling resistance A class at the end of the year. 100 percent of premium tires of the selected scope were in the best wet grip A or B class in the EU Tyre Labelling, and all Nokian Tyres Hakkapeliitta products met the EU ice grip requirements. The LTIF improved to 3.7 (4.6) but the target was not achieved. 100 percent of sustainability high-risk suppliers have been audited, and 100 percent of natural rubber processor suppliers are either GPSNR members or have signed Nokian Tyres' sustainability commitment.

Nokian Tyres has built a new passenger car tire factory in Romania to expand its manufacturing footprint and rebuild capacity. The first tires were delivered from the factory to Nokian Tyres' distribution centers in March 2025, and commercial tire deliveries started in the second quarter. The production facility is the first full-scale zero-CO_2e-emissions (Scope 1 & 2) tire factory in the world. More information about what zero CO_2e emissions mean at the factory in Romania can be found under **E1-1**.

The annual risk review, including sustainability risks and opportunities, is integrated into strategy work, the results of which are presented to the Board of Directors.

Nokian Tyres' business model and value chain

Nokian Tyres operates in the passenger car tire replacement market, particularly excelling in the premium winter tire segment. Nokian Tyres' heavy tires are sold in both the original equipment and replacement markets. Nokian Tyres' business is divided into three units: Passenger Car Tyres, Heavy Tyres, and Vianor.

- The Passenger Car Tyres business unit develops, manufactures and sells high-quality winter, summer, all-season, and all-weather tires for passenger cars, SUVs, and vans. The unit operates within the premium tire segment and focuses on the replacement tire market, generating more than half of Nokian Tyres' total net sales. The Passenger Car Tyres business unit comprises three business areas: Nordics, Central Europe, and North America with factories located in Nokia, Finland, Oradea, Romania, and Dayton, US. Manufacturing partners complement own production. Nokian Tyres has chosen only established manufacturing partners with good reputation in the market, and the companies have been assessed according to the KYC process. Because some of them operate in areas where there can be sustainability risks, also environmental and social responsibility audits have been conducted.
- The Heavy Tyres business unit develops and manufactures special tires for trucks and heavy machinery, focusing on niche product segments. The core products include forestry tires, tires for ports and terminals, mining, agriculture, trucks and buses, and other heavy uses, such as earthmoving and road maintenance. Manufacturing of heavy industrial tires takes place in Nokia, Finland, while wheels for heavy machinery are produced in Nastola, Finland. Additionally, truck and bus tires are produced by carefully selected manufacturing partners.
- Vianor is the largest car maintenance and tire service chain in the Nordic countries with a wide network of service centers and online stores. It supports sales and the premium brand position in the Nordic countries.

Nokian Tyres' value chain

UPSTREAM

Suppliers

Nokian Tyres has over 3,700 suppliers worldwide, including more than 200 different raw material suppliers. The main raw material groups in tire manufacturing are synthetic rubber, fillers, chemicals, reinforcing materials, and natural rubber. Another important input is energy for the tire manufacturing process and facilities.

Nokian Tyres aims to be a trusted partner and a sustainability benchmark in the industry. This can only be achieved by having a network of responsible suppliers. The backgrounds of all new suppliers are checked according to Nokian Tyres' Due Diligence process before supplier approval. Nokian Tyres assesses the possible risks associated with the suppliers and requires that all sustainability critical ones adhere to the Supplier Code of Conduct. Supplier sustainability audits have been conducted since 2016, and all sustainability high-risk suppliers have been audited.

Nokian Tyres uses carefully selected manufacturing partners to complement own production. Vianor also imports tires to the Nordics.

Transportation

Some raw materials for tires are transported by sea to ports in the US and Europe, from which they are taken to factories by rail and by road. Some materials are transported to the factories by road within Europe or North America.

Achieving the Scope 3 climate target requires emission reductions from road, train, marine and air transportation.

Subcontractors

Nokian Tyres and Vianor work with several subcontractors in various fields, such as construction, security, cleaning, and logistics. All new subcontractors offering their services are expected to commit to the Supplier Code of Conduct.

Nokian Tyres Environmental, Safety and Quality Guideline also applies to subcontractors.

Before subcontractors' employees are allowed to start working in Nokian Tyres' factories, they must pass induction training on safe working practices.

OWN OPERATIONS

Group operations

Nokian Tyres has over 90 years of experience in vehicle tires as the world's northernmost tire company, with numerous trademarks and patents. Nokian Tyres develops and manufactures premium tires for passenger cars, trucks, and heavy machinery.

The three tire factories are located in Finland, Romania, and the US, and there is also a wheel factory in Finland. The factory in Romania is the world's first full-scale zero-CO_2-emissions (Scope 1 & 2) tire factory. All factories are ISO 14001 and ISO 9001 certified, and the tire factories in Finland and the US are ISO 45001 certified. Of the three test centers, two are located in Finland and one in Spain. In addition, there are sales companies in the key markets.

The main subsidiary Vianor offers tire and car services and also operates five retreading plants in Finland, Sweden and Norway.

Nokian Tyres' business is guided by the ethical principles presented in the Code of Conduct. Approximately 4,000 highly skilled professionals contribute to continuous development with their competence and ideas. The company culture is based on three key values: we care, drive innovation, and succeed together. Nokian Tyres promotes equal opportunities and fair treatment, occupational safety, collaboration and continuous learning, and employee well-being.

DOWNSTREAM

Distribution

From Nokian Tyres' logistics centers, the tires are transported to warehouses by land and sea.

Nokian Tyres' main market areas are the Nordic countries, Central Europe, and North America. The products are sold to consumers and end users via Vianor and Vianor Partner chains, car dealerships and tire stores. Due to the extensive distribution network, Nokian Tyres' products are sold in 47 countries.

Consumers and end users

Nokian Tyres innovative, high-quality products are tailored for different markets, with a strong focus on safety and performance to ensure consumers' and end users' safe trips under all conditions. Sustainability is considered all the way from raw material procurement to end of life. Nokian Tyres continuously improves the environmental performance of its tires.

People driving or operating vehicles equipped with Nokian Tyres' tires may be, for example, passenger car drivers, people working for transport companies driving trucks, buses or vans, or people working in forestry or agriculture. Their tire choices, tire maintenance, and driving habits matter, as the majority of a Nokian Tyres tire's carbon footprint is generated during its use.

Vianor is the largest car maintenance and tire service chain in the Nordic countries with a wide network of service centers and online stores, serving both consumers and business customers.

End-of-life

End-of-life tires can be shredded or granulated to be utilized in various applications. Used tires can also be combusted for energy.

Nokian Tyres uses some materials derived from end-of-life tires in its products, such as recycled steel and carbon black.

Bus and truck tires with quality carcasses can be retreaded two to four times. Compared to producing a new truck tire, retreading generates less CO_2e emissions and saves resources such as rubber and oil.

Benefits and value created through responsible business practices, innovative tire solutions, and collaborative company culture

Employees

Nokian Tyres provides opportunities for professional growth and career development and recognizes employees for good performance and achieving the goals. Fair treatment and responsible business practices bring financial and job security.

Employee well-being is supported by, e.g., prioritizing safety and fostering an environment where employees feel valued and included.

Communities and society

Nokian Tyres' impact is directly seen in the factory locations as a locally significant job creator and a part of the surrounding community. The purchases, investments, salaries, and taxes as well as dividends to shareholders contribute to well-being in different parts of the world.

Nokian Tyres contributes to safe and sustainable mobility and innovation with the company's technical expertise and knowledge also through industry and other associations.

Requiring the suppliers to commit to ethical business and sustainability promotes environmental and social responsibility in the supply chain.

Customers

Nokian Tyres helps customers reach their targets related to, for example, sales and customer satisfaction. This is enabled by high-quality products and services, a comprehensive understanding of each market, and continuous dialogue.

Consumers and end users

Nokian Tyres' products are verifiably safe and meet the highest quality standards, increasing road safety for drivers and other people in traffic. Tires' environmental impacts are considered in terms of, e.g., energy efficiency, raw materials, and durability.

Vianor aims for safe journeys and ease so that drivers can concentrate on what's important to them.

Nokian Tyres shows leadership in reducing greenhouse gas emissions in the tire industry and aims to manage the environmental impacts of the products throughout their entire life cycle, from raw material sourcing to end-of-life recycling. There is a strong focus on increasing the share of recycled and renewable raw materials. Social responsibility is embedded in the company culture, promoting principles of fairness and respect for human rights in all operations, including responsible sourcing and labor rights. Employee well-being is based on safety, leadership, and a modern company culture.

Nokian Tyres' value chain graph on the previous page provides an overview of the main features of Nokian Tyres' upstream and downstream value chain and the company's position in it. It includes a brief description of main inputs, key business relationships including suppliers and customers, distribution channels, and end users.

SBM-2 Hearing the interests and views of stakeholders

Nokian Tyres 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 which sustainability topics are relevant for society and the company's business.

This is done by engaging stakeholders when conducting double materiality assessments. The feedback from stakeholders is taken into account in operational development and decision-making.

In addition to the materiality assessments, engagement occurs as presented in the following table by key stakeholder group. The table also presents the purpose of engagement, topics that different stakeholder groups prioritized in the most recent materiality assessment, and how those views have been or are considered in Nokian Tyres' operations, business model, and strategy.

Key stakeholder groups and stakeholder engagement at Nokian Tyres

Stakeholder group	Stakeholder engagement	Purpose of the engagement	Stakeholder expectations in the order of importance, based on the responses in double materiality assessment	Connection to Nokian Tyres' operations, business model, and strategy
Employees. White and blue collars located in the Nordics, Central Europe, and North America	• Actions to provide meaningful and motivating job content and working conditions • Engagement survey Drive! • Pulse surveys • Systems through which employees are encouraged to record safety observations and environmental observations • Cooperation with employee representatives • Regular info sessions • People review discussions • Materiality assessments • Dialog about safety and health at work • Whistleblowing channel	• Hearing employees' perceptions, ideas, feedback, and experiences • Keeping employees up-to-date on topical matters and planned developments • Contributing to a safe, sustainable and motivating workplace and working life	• Tire safety and quality • Safety of employees • Tire design, choice of materials, or other innovations aimed at reducing greenhouse gas emissions from tire use • Reduction and elimination of harmful chemicals • Greenhouse gas emission reductions in company's own operations	• Developing new, safe, state-of-the-art products • Externally certified safety management system • Promoting the well-being of personnel by providing a safe working environment that motivates them • Increasing the share of recycled and renewable raw materials • Developing tires with low rolling resistance • Externally certified environmental management system • Nokian Tyres' products do not contain Substances of Very High Concern as defined in the EU REACH regulation • Reducing greenhouse gas emissions according to Nokian Tyres' science-based targets

Stakeholder group	Stakeholder engagement	Purpose of the engagement	Stakeholder expectations in the order of importance, based on the responses in double materiality assessment	Connection to Nokian Tyres' operations, business model, and strategy
Customers (B2B). E.g. tire dealers and car dealerships in the Nordic countries, Central Europe, and North America	• Day-to-day business cooperation • Customer experience surveys • Materiality assessments • Whistleblowing channel	• Building trust and strong partnerships • Enabling customers to achieve their targets • Gaining insight about the perspectives of consumers and end users of tires	• Tire safety and quality • Safety of employees • Tire design, choice of materials, or other innovations aimed at reducing greenhouse gas emissions from tire use • Ethical and responsible company culture • Respect for human rights in the supply chain	• Developing new, safe, state-of-the-art products • Externally certified safety management system • Increasing the share of recycled and renewable raw materials • Developing tires with low rolling resistance • Conducting business in a reliable and sustainable way • Conducting sustainability audits to natural rubber processing plants since 2016, and auditing manufacturing partners
Suppliers, business partners, and subcontractors. E.g. raw material providers and partners of the communications, IT, R&D, HR and other functions	• Day-to-day business cooperation • Supplier due diligence • Supplier assessments and audits and possible follow-up actions • Subcontractor cooperation on occupational safety • Materiality assessments • Whistleblowing channel	• Promoting responsible sourcing • Compliance with Nokian Tyres Supplier Code of Conduct • Protecting human and labor rights of workers • Gaining insight of upcoming developments and trends	• Tire safety and quality • Reduction and elimination of harmful chemicals • Safety of employees • Collaborative relationships with suppliers • Measures to prevent corruption, bribery and misconduct	• Developing new, safe, state-of-the-art products • Nokian Tyres' products do not contain Substances of Very High Concern • Externally certified safety management system • Occupational safety trainings for subcontractors and offering them the possibility to record safety observations in Nokian Tyres' system • Conducting business in a reliable and sustainable way • As a tire manufacturer, Nokian Tyres purchases significant amounts of natural rubber. People whose livelihoods depend on natural rubber are recognized as a risk group with regard to material negative human rights impacts. Preventing and mitigating the impacts and promoting and ensuring decent working conditions are essential aspects of Nokian Tyres' business conduct.

Stakeholder group	Stakeholder engagement	Purpose of the engagement	Stakeholder expectations in the order of importance, based on the responses in double materiality assessment	Connection to Nokian Tyres' operations, business model, and strategy
Investors, shareholders, Board of Directors. E.g. potential or existing shareholders (domestic or international), and Board members	• Investor meetings, events, and seminars • Stock exchange releases and other publications • Shareholder's General Meetings • Board meetings • Materiality assessments • Whistleblowing channel	• Understanding expectations • Providing material information • Attracting responsible investors • Enhancing transparency	• Tire safety and quality • Tire design, choice of materials, or other innovations aimed at reducing greenhouse gas emissions from tire use • Safety of employees • Minimization of tire and road wear particles • Greenhouse gas emission reductions in company's own operations	• Developing new, safe, state-of-the-art products • Increasing the share of recycled and renewable raw materials • Developing tires with low rolling resistance • Externally certified safety management system • Promoting the well-being of the personnel by providing a safe working environment that motivates them • Reducing greenhouse gas emissions according to Nokian Tyres' science-based targets
Authorities, media, NGOs, industry associations. E.g. public authorities, media representatives, NGOs related to sustainability and environmental responsibility, and industry associations	• Project cooperation • Joint initiatives and programs • Meetings, events and seminars • Press releases and other publications, responding to media inquiries • Answering public consultations • Materiality assessments • Whistleblowing channel	• Knowledge sharing • Ensuring regulatory compliance • Contributing to initiatives • Contribution to developing industry standards • Driving sustainable development	• Greenhouse gas emission reductions in company's own operations • Tire design, choice of materials, or other innovations aimed at reducing greenhouse gas emissions from tire use • Traceability and transparency of raw materials • Waste minimization and management • Protection of biodiversity in the supply chain	• Reducing greenhouse gas emissions according to Nokian Tyres' science-based targets • Externally certified environmental management system • Increasing the share of recycled and renewable raw materials • Developing tires with low rolling resistance • Exclusively purchasing rubber processed in the plants that Nokian Tyres has approved • 100 percent of tire production waste has been utilized after 2021, so there is no landfilled production waste • Preparing for the EU deforestation regulation (EUDR)

The prioritization of sustainability topics in different stakeholder groups was presented to the Management Team and to the Board of Directors in February 2024 together with the results of the double materiality analysis.

Creating safe tires for all conditions is an essential part of Nokian Tyres' business model, and Nokian Tyres' products are developed to help both drivers and other people using the roads stay safe in traffic. Collecting insights from consumers and end users is an essential part of the development process for a new passenger car tire. For heavy tires, the insight is gained through customer surveys. Consumers and end users can also contact the company and leave product feedback through the websites. Additionally, they can participate in materiality assessments through public links shared on the company's social media channels. Furthermore, the tire and car service chain Vianor and Nokian Tyres' customers sell Nokian Tyres' products to consumers and end users and have insight into their views, which Nokian Tyres can utilize.

SBM-3 Material sustainability-related impacts, risks and opportunities

Nokian Tyres' material impacts, risks, and opportunities are presented in the following tables. The tables include the effects of the material impacts on people or the environment, reasonably expected time horizons of impacts that are not actual, and the connection to the company's strategy, business model, activities and business relationships.

E1 Climate change

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Greenhouse gas emissions from own operations (Scope 1 & 2)	Actual negative impact (Own operations)	Nokian Tyres' Scope 1 and 2 emissions are mainly generated through energy use in the factories.	Nokian Tyres aims to be the industry leader in reducing factory emissions. The company reduces greenhouse gas emissions according to its science-based targets and is committed to achieving net-zero emissions by 2050. The new factory in Romania is the first full-scale zero-CO_2e-emissions (Scope 1 & 2) factory in the tire industry and increases the company's production capacity. More information about what zero CO_2e emissions mean at the factory in Romania can be found under E1-1.
Greenhouse gas emissions in the value chain (Scope 3)	Actual negative impact (Upstream and downstream value chain)	The majority of Nokian Tyres' total GHG emissions are Scope 3 emissions that are indirectly affected by the company and occur in the value chain. These include, for example, emissions from tire use, purchased goods and services, capital goods and upstream transportation and distribution.	Nokian Tyres is committed to reducing greenhouse gas emissions from the value chain. The company aims to increasingly use greenhouse gas emission levels as a criterion for supplier selection.
Increasing costs related to tire raw materials	Transition risk (Upstream value chain)	Tire material costs may increase due to replacing fossil-based raw materials with more expensive renewable and recycled materials.	One of Nokian Tyres' key targets is to increase the share of recycled and renewable raw materials in tires to 50 percent by 2030. The company aims to optimize the combination of sustainable material use and the related raw material costs.
Further environmental fees	Transition risk (Upstream and downstream value chain)	New environmental fees, such as additional taxes and certification costs, may cause new expenses. For example EU's Carbon Border Adjustment Mechanism (CBAM) for high-carbon goods and carbon taxes.	Possible effects on sourcing decisions toward more sustainable raw materials. One of Nokian Tyres' key targets is to increase the share of recycled and renewable raw materials in tires to 50 percent by 2030.
Increased revenue and/or cost savings due to climate-friendly technologies	Opportunity (Own operations)	Energy-efficient production enabled by modern machinery used in Nokian Tyres' factories, and the new zero-CO_2e-emissions (Scope 1 & 2) factory in Romania are recognized opportunities for brand building, which can generate more revenue.	Continued investments on climate-friendly technologies. Nokian Tyres aims to be the industry leader in lowering factory GHG emissions and targets to reach net zero by 2050.
Increased revenue from competitive product portfolio	Opportunity (Own operations)	Nokian Tyres' share in winter tire markets is strong. The company has readiness to increase the share further, should the extreme weather phenomena increase in the future.	Nokian Tyres is an expert in creating tires for demanding and challenging weather conditions. Continued focus on strengthening winter and all-season tire knowhow and product portfolio.
Increased revenue from innovations with low carbon footprint raw materials	Opportunity (Own operations)	Innovative raw material use helps create sustainable products that meet customer and consumer needs and expectations, generating revenue.	Continued investments on innovation and research and supplier collaboration. One of Nokian Tyres' key targets is to increase the share of recycled and renewable raw materials in tires to 50 percent by 2030.

E2 Pollution

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Pollution of air, water and soil	Actual negative impact (Downstream value chain and own operations)	Tire and road wear particles (TRWP) are formed when tires are in contact with the road. TRWP are considered as microplastics and can degrade local air quality, water and soil, and have negative effects on both ecosystems and human health.	Nokian Tyres is committed to continuously improving the quality, safety and environmental performance of the products, services, and processes. Improved tire properties and innovative designs are ways to reduce the amount of TRWP compared to business-as-usual practices.
Adverse health and environmental impacts from the use of chemicals	Actual negative impact (Downstream value chain and own operations)	Negative environmental impacts can take place in the value chain due to chemicals in tire materials. Chemical use in own operations could harm the people working in production and warehouses.	Nokian Tyres' products do not contain any Substances of Very High Concern (SVHC). The company is committed to avoiding the use of harmful substances, thereby minimizing risks to occupational health in production and warehousing. Ensuring chemical and environmental safety in all operations is part of the continuous sustainability work. The company actively screens for environmentally sustainable raw materials and development cooperation with suppliers and industry associations, and, as needed, makes decisions on new raw materials in order to further develop the environmental sustainability of products. In case an existing substance is re-classified as an SVHC, Nokian Tyres will substitute it or phase it out as soon as feasible.
Increasing regulatory obligations related to pollution	Risk (Own operations)	The risk of increasing regulatory obligations related to pollution can lead to increased costs of materials and product development.	Nokian Tyres conducts its business in line with all applicable laws and regulations and proactively anticipates future requirements.
Development of more environmentally sustainable products (more durable products and safer chemicals)	Opportunity (Own operations)	Innovation in tire design and materials could give Nokian Tyres an advantageous position in introducing more durable products that result in decreased generation of TRWP.	Nokian Tyres actively screens for environmentally sustainable raw materials and development cooperation with suppliers. The company continues investments on innovation and research, and, as needed, makes decisions on new raw materials in order to further develop the environmental sustainability of products.

E4 Biodiversity and ecosystems

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Biodiversity impacts in raw material sourcing	Actual negative impact (Upstream value chain)	Nokian Tyres' biggest biodiversity impacts are indirect, taking place in the beginning of the value chain as they are mainly caused by the cultivation of natural rubber. Natural rubber is one of the main ingredients of tires, and thus sustainable sourcing of raw materials is necessary with the aim of reducing the negative biodiversity impacts, e.g., land use change, deforestation, and effects on species.	As a member of the Global Platform for Sustainable Natural Rubber (GPSNR) Nokian Tyres is committed to a shared responsibility toward improving the social, environmental, and economic sustainability of the global natural rubber value chain. In 2025, 100 percent of Nokian Tyres' approved natural rubber processors were either members of the GPSNR or committed to develop their operations according to Nokian Tyres' Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation, which covers various commitments related to social and environmental aspects, such as human rights, labor rights, and protection of the environment and biodiversity.
Increasing regulation related to deforestation and other biodiversity-related issues	Risk (Upstream value chain and own operations)	For example, the EU deforestation regulation (EUDR) concerning natural rubber obliges companies to ensure that products sold in the EU have not led to deforestation and forest degradation, and there are penalties for non-compliance. Such regulation can increase the costs of raw materials and/or the administrative costs of sourcing and distribution.	Nokian Tyres conducts its business in line with all applicable laws and regulations.

E5 Resource use and circular economy

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Use of virgin resources	Actual negative impact (Upstream value chain)	Various raw materials are needed for tire production. Still today the majority of raw materials in the tire industry are fossil-based or from other non-renewable sources.	Nokian Tyres is committed to safeguarding natural resources and promoting circular economy. The company reduces the environmental impact of its material use through product development, by sourcing recycled and renewable materials, and by replacing fossil raw materials. Nokian Tyres' goal is to increase the share of renewable and recycled raw materials in tires to 50 percent by 2030. To achieve this goal, the company is in close cooperation with different raw material manufacturers and encourages innovations from different stakeholders.
Negative impacts caused by improper management of end-of-life tires	Actual negative impact (Downstream value chain)	In Finland, nearly 100 percent of tires are recycled. In all of Europe the figure is 97 percent. In the US, the tire recycling rate of collected tires is 79 percent. Improper management of end-of-life tires contributes to environmental pollution and can be considered as waste of natural resources as there are possibilities to utilize end-of-life tire materials.	Nokian Tyres promotes the recycling of end-of-life tires together with its stakeholders, and the company can also contribute to the topic by developing circular tire solutions. As one of the original founders of Finnish Tire Recycling Ltd, Nokian Tyres is involved in their work of looking for new ways to recycle and utilize tires. Retreading is one of the best recycling methods. All Nokian Tyres' products are recyclable.
Increasing regulation on materials (e.g., traceability)	Risk (Upstream value chain and own operations)	The increasing regulation on, e.g., ensuring the origins of raw materials can lead to increasing costs of raw materials and sourcing.	For example, the EUDR regulation will increase operational costs, as natural rubber is one of the main ingredients in tires. Nokian Tyres aims to create effective processes to minimize additional costs.

S1 Own workforce

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Positive impacts through improved employee health, well-being, and motivation	Actual positive impact (Own operations)	To support employees' well-being and motivation, Nokian Tyres advances an inclusive working culture and wants to empower the employees to actively participate and collaborate, to take both ownership of their work and responsibility for everyone's safety. The modern working environment with digital tools helps teams to flexibly organize their work and supports the individual well-being of employees.	Nokian Tyres supports flexible working hours and work arrangements. Employees that are motivated and feel well generally perform on high level.
Positive impacts by offering secure work and fair working conditions	Actual positive impact (Own operations)	Employees' financial security is improved as Nokian Tyres guarantees adequate compensation, fair terms of employment, freedom of association etc.	Actions to support the Nokian Tyres team.
Positive impacts from improved skills and career development of employees	Actual positive impact (Own operations)	Enabling skills and career development leads to increased motivation and satisfaction at work as well as benefits the company through better employee retention and highly motivated and skilled employees.	At Nokian Tyres, each employee has ownership of their development and career. Manager's role is to offer support by providing resources and opportunities for learning, where feasible. Employees also have the opportunity to discuss their career aspirations for the future.
Increased health, well-being and motivation, improved company culture and employer reputation through inclusivity and equality	Potential positive impact (Own operations)	Nokian Tyres fosters an equal and inclusive work culture, which can have a positive impact across all time horizons.	Nokian Tyres respects human rights and treats all individuals equally.
Adverse impacts on employee health, well-being and motivation	Potential negative impact (Own operations)	There is a potential long-term negative impact that work-life imbalance and excessive working hours can lead to, e.g., employee burnout or otherwise poor working environment for employees.	Nokian Tyres' goal is to promote occupational health and well-being with proactive efforts. The company follows the well-being at work with group-wide surveys and one-to-one conversations. Occupational health care is based on local legislation and the company's Environmental, Safety, and Quality Guideline.

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Adverse impacts on employee safety	Actual negative impact (Own operations)	The safety risks are mostly related to the operators' work at the factories and to mechanics' work in tire and car service centers.	Nokian Tyres is working toward a workplace with zero accidents, and the actions, such as safety inspections, audits, and safety observations, are followed monthly in the Management Team meetings. The results are analyzed in team meetings and action plans are drawn based on the findings.
Attractive employer brand through outstanding employee well-being and working environment	Opportunity (Own operations)	Proactive measures to increase employee health and well-being, as well as a supportive and inclusive working environment, offer an opportunity to improve talent attraction and retention.	Employer branding actions as needed to be able to recruit competent workforce.
Competitive advantage and improved innovation capabilities through competent workforce	Opportunity (Own operations)	Highly competent and trained employees can support securing Nokian Tyres' business in the long-term.	Hiring talented employees and continuous upskilling of current workforce.

S2 Workers in the value chain

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Adverse human rights impacts related to working conditions and equality in the supply chain and outsourced operations	Actual negative impact (Upstream value chain)	The adverse human rights impacts are related to natural rubber, which is one of the main ingredients of tires and the livelihood of hundreds of thousands of families living in countries where the local legislation and working conditions have not been fully developed. The natural rubber supply chain is complex and fragmented. Yet, at the same time, if natural rubber is cultivated, produced and processed in a sustainable way, it has the potential to bring positive social, environmental and economic impacts.	Nokian Tyres' principles in all operations are fairness and respecting human rights. Nokian Tyres aims to prevent and mitigate human rights violations in its supply chain through strengthening the due diligence processes, and the company has conducted sustainability audits of suppliers since 2016 to be able to address potential problems and drive improvements. Nokian Tyres' Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation addresses issues associated with the natural rubber supply chain. As part of Nokian Tyres' commitment toward a more sustainable business, the company has been a supporting member of the United Nations Global Compact (UNGC) initiative since 2015, and the company follows the initiative's ten principles that cover the areas of human rights, labor, the environment, and anti-corruption. Nokian Tyres is further committed to acting in the manner required by the UN Guiding Principles on Business and Human Rights.

S4 Consumers and end users

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Improving traffic and end user safety	Actual positive impact (Downstream value chain)	Premium quality means premium safety: Nokian Tyres has not had a significant recall in 24 years. As a tire manufacturer Nokian Tyres must ensure that the tires are verifiably safe to use and that they meet the quality requirements as well as expectations of customers and end users. In Central Europe, wet and snow grip are crucial for winter driving safety, while in the Nordics and in the northern parts of North America ice grip is more important.	An essential part of Nokian Tyres' strategy is to create high-quality, safe tires for all conditions. Nokian Tyres improves the safety of the products through continuous product development and testing. The company's product development is guided by the Code of Conduct, the Environmental, Safety and Quality Guideline, and testing policies. Additionally, Nokian Tyres complies with several requirements concerning noise, studs, chemicals, testing, and tire markings, among other things.
Increasing end user awareness on safety-, environmental- and other aspects by providing educational content	Actual positive impact (Downstream value chain)	Drivers can make a difference with their choices and actions, and many of them are also interested in getting tips and advice on tire selection, use, and maintenance. Nokian Tyres and Vianor communicate regularly to educate drivers on how to maintain tires, how to take into account safety and environment when selecting tires, and how to get the best out of them by driving responsibly.	Nokian Tyres' vision is to lead the world to drive smarter. This includes regular educational communication.
Negative impacts due to compromised customer privacy due to inadequate cybersecurity and privacy	Potential negative impact (Downstream value chain)	This potential impact is relevant across all time horizons. Nokian Tyres aims to ensure that there are adequate cybersecurity and privacy measures in place to prevent data breaches and misuse of customer and consumer data.	Nokian Tyres is committed to working in accordance with the legislation and regulations and has high respect for personal data. As for data privacy, the company follows regulations, conducts training, and has clear internal processes.
Fact-based and innovative sustainability communications and marketing	Opportunity (Own operations)	Fact-based and innovative sustainability communications and marketing offers opportunities to improve Nokian Tyres' brand and reputation among end users, thus generating more revenues.	Nokian Tyres communicates on sustainability topics regularly.

G1 Business conduct

Material impacts, risks, and opportunities	Type	Description	Effects on business model, strategy, value chain and decision making, and related actions
Ethical and sustainable sourcing practices	Actual positive impact (Upstream value chain and own operations)	Requiring a commitment to ethical business and sustainability from suppliers promotes both environmental and social responsibility in the supply chain.	Nokian Tyres' company culture is guided by respect, openness, and sustainability, along with high ethical values that guide decision-making on every level of the company.
Advancing and lobbying for legislation that is beneficial for end users and/or the environment	Actual positive impact (Downstream value chain and own operations)	By lobbying in a responsible and transparent manner, the company can help shape legislation that is both effective in reducing the potential negative impacts while not causing disproportionate costs. Nokian Tyres is not involved in political activities, fundraising, or political contributions as per our Code of Conduct.	Nokian Tyres' participation in the activities of industry and trade organizations depends on the current topics and opportunities to offer expertise. For example, Nokian Tyres' advocacy led to the addition of the ice grip marking and snow grip marking in the EU Tyre Label to help drivers choose safe winter tires for winter conditions. Currently the company participates, for example, in Tyres Europe's tire abrasion project that aims for reducing road transport emissions by setting global tire abrasion limits that are based on a reliable tire test method.
Preferred partner for suppliers through good and fair relationship management	Opportunity (Upstream value chain and own operations)	Good and fair supplier relationship management offers an opportunity for long-term, mutually beneficial supplier relationships enabling long-term development of cooperation and efficiency improvements.	Nokian Tyres aims for strong partnerships that are mutually beneficial.

The Group has arranged part of its external financing as sustainability-linked funding. The KPIs in use in sustainability-linked funding were defined in 2023 in the company's Sustainability-Linked Bond Framework. The framework has two KPIs, both of which are related to greenhouse gas emissions intensity. The first KPI is related to Scope 1 and 2 emissions, in t CO_2e/production ton, and the second KPI to Scope 3 emissions from product use, in t CO_2e/production ton. Sustainalytics' second-party evaluation considers both KPIs to be "Very strong" and the Sustainability Performance Targets "Ambitious". The KPIs are used for all sustainability-linked funding. Failure to meet these KPIs would result in additional interest expenses to Nokian Tyres.

Resilience of Nokian Tyres' strategy and business model to address sustainability impacts, risks and opportunities

Nokian Tyres integrates material sustainability matters in its strategic planning and target setting. This allows the company to adapt to emerging developments. Nokian Tyres constantly develops corporate responsibility matters as part of its daily operations and has established policies and processes to respond to and manage material impacts, risks, and opportunities (IROs) proactively.

Nokian Tyres' strategy implementation and business model are not critically dependent on individual customers or suppliers, and the company regularly maintains business continuity plans. The Group has adopted a risk management policy, approved by the Board of Directors, which supports the achievement of strategic goals and ensures business continuity.

As a conclusion, Nokian Tyres' strategy and business model are expected to adapt in relation to the material sustainability impacts and risks identified, and the company is prepared to take advantage of material opportunities both in the short and long term. For these reasons, Nokian Tyres has not conducted a more detailed analysis on the resilience of its strategy and business model in addressing individual material sustainability topics.

Further details about the material IROs and Nokian Tyres' management of them can be found under the specific ESRS topics. There were no changes to material IROs compared to the previous reporting period.

IRO-1 The process to identify and assess material impacts, risks and opportunities

Nokian Tyres carried out a sustainability double materiality assessment according to the European Sustainability Reporting Standards' requirements for the first time during September 2023–February 2024. The assessment process consisted of a contextual analysis based on public and internal sources, stakeholder survey, internal assessment and working group meetings. The results were reviewed and validated by Nokian Tyres' Management Team, the Audit Committee, the People and Sustainability Committee, as well as the Board of Directors. The process followed the principles of internal control and risk management confirmed by Nokian Tyres' Board of Directors.

Contextual analysis

The analysis served to give an understanding of the context and a starting point for the materiality assessment. The aim of the analysis was to preliminarily identify and evaluate the potentially relevant sustainability aspects (impacts, risks, and opportunities) to the tire industry and across Nokian Tyres' value chain. The contextual analysis was based on publicly available and internal materials, looking into the larger sustainability trends in the media, an overview of relevant regulation, sector-specific frameworks, and industry publications, as well as a peer benchmark.

Identifying sustainability-related impacts, risks, and opportunities

As a result of the contextual analysis, several actual and potential, negative and positive impacts, as well as risks and opportunities relevant in Nokian Tyres' own operations and through its business relationships were identified and categorized as per the ESRS topic division. The key features of the value chain were considered on a general level, including the key inputs and outputs, Nokian Tyres' own functions, as well as the main stakeholders including suppliers and consumers.

The identified list of material topics served as basis for the stakeholder engagement via an online survey. Through the survey, Nokian Tyres engaged with a wide range of stakeholder representatives to understand their views and interests on relevant sustainability topics for Nokian Tyres. Participants included Nokian Tyres' employees, suppliers, business partners, corporate customers, retailers, investors, board members, authorities, media, NGOs, and industry associations. The views of these stakeholders informed the subsequent assessment of material impacts, risks, and opportunities.

Assessment and determination of material impacts, risks, and opportunities

The materiality of the identified impacts, risks and opportunities was assessed in accordance with the principles of the ESRS. The severity of the negative and positive effects (considering the scale, scope and, in the case of negative effects, also the irremediable character of the impact), the magnitude of the financial impact of the risks and opportunities, as well as the likelihood of their occurrence were each assessed on a scale of 1 to 5. For the identification and assessment of climate-related risks and opportunities, Nokian Tyres' simultaneously conducted separate climate risk assessment was utilized and integrated into the double materiality assessment process.

The result of the severity/magnitude scores and the corresponding likelihood scores formed the total materiality scores of each sustainability topic, by which a quantitative materiality prioritization of the identified items was created. The double materiality scores for the sustainability matters were determined on the basis of both the impact materiality scores and risk materiality scores. The median

value of all the materiality scores was employed as the initial quantitative threshold for determining the materiality of a single sustainability topic (impact, risk, or opportunity). After further discussion and analysis in working group meetings and discussions with the assurance provider, qualitative materiality adjustments were made during 2024 for individual impacts, risks, and opportunities, resulting in the final list of material topics.

In 2025, Nokian Tyres reviewed the double materiality analysis results. The review was based both on the criteria presented in EFRAG IG 1 Materiality Assessment Implementation Guidance and internal discussions regarding material topics and impacts, risks, and opportunities (IROs). The review found that there were no changes to Nokian Tyres' material topics in 2025. As part of the process, risk assessments were conducted in 2025 to support the evaluation and to ensure that the IROs remain up to date. The assessment included a climate-related risk review.

The next review of material topics will take place in spring 2026, and a comprehensive assessment is planned for late 2026 to early 2027.

Topic-specific considerations

The double materiality assessment identified and evaluated impacts related to climate change. Scope 1 and 2 emissions are material impacts for Nokian Tyres because energy is needed for tire manufacturing and facilities. In addition, raw materials, logistics, and tire use cause material Scope 3 emissions. Approximately 85 percent of a Nokian Tyres tire's carbon footprint is generated during its use.

Nokian Tyres addresses climate change-related risks through a procedure encompassing identification, evaluation, prioritization, and action. This process was integrated into the double materiality assessment process.

CLIMATE-RELATED RISK PROCESS

Step 1: Mapping and identification of relevant climate-related risks
The first step involves mapping and identifying pertinent climate-related risks, which are integrated into the broader risk management framework of the company. Risks and opportunities related to Nokian Tyres' operations and the entire value chain are identified by conducting a double materiality analysis and consulting internal stakeholders.

Step 2: Strategic evaluation at company level
As part of Nokian Tyres' integrated risk management process, the company further evaluates the strategic implications of climate-related risks and opportunities at the group level, including physical and transition risks. This assessment encompasses various factors including strategic risks, market effects, reputation risks, potential for goodwill, and strategic opportunities.

Step 3: Determining impact
The strategic evaluation of climate-related risks is conducted in conjunction with all other corporate risk assessments as part of the annual enterprise risk analyses. Within these analyses, Nokian Tyres utilizes a ranking system that considers severity, likelihood of the risk occurring, and existing controls. Both the long-term strategic and financial impacts on the company are assessed, and the highest risk impacts and most beneficial opportunities are identified and prioritized.

Extreme weather events disrupting the production and logistics supply chain were identified as an important physical risk. However, in the double materiality analysis it was identified as non-material. Nokian Tyres also conducted a scenario analysis in 2023 to further investigate how different acute weather events such as flooding at the production facility in Romania and the warehouse in Germany, and tropical cyclones at the US locations would affect the operations in the short (< 2030), medium (2030–2040), and long term (2040–2050). In the analysis of physical risks, the SSP scenarios SSP1-2.6 and SSP5-8.5 were used. After the analysis it was concluded that the financial impact of a single flood is low or medium. Only if several floods occurred at the same time, their combined financial impact would be high in the medium and long term. Nokian Tyres has also invested in building design and insurances to mitigate such risks. For cyclones, the financial impact is considered low during the short term and medium in the medium and long term. Therefore, the results of the scenario analysis are in line with the results of the double materiality assessment.

For transition risks, climate-related regulations were identified as most likely to affect Nokian Tyres' operations in several ways. Policies about deforestation may affect prices and availability of raw material while carbon pricing may affect Nokian Tyres' operational costs and regulatory changes may lead to having to develop the product portfolio accordingly. Another analyzed transition risk is the replacement of fossil-based raw materials with more renewable materials, touching on price and availability.

For the transition risks, two of the International Energy Agency's (IEA) climate related scenarios were used: The Announced Pledges Scenario (APS) incorporates climate commitments made by governments, including Nationally Determined Contributions (NDCs) and net zero targets. The Net Zero Emissions by 2050 (NZE) Scenario aims to limit global warming to 1.5 °C and assumes aggressive gains in energy efficiency and consumer behaviour changes. The chosen scenarios are based on the most recent scientific research and align with the terms set out in the Paris Climate Agreement. The scenarios chosen are relevant to look at as they present a narrative for risks to play out in both best-case scenarios as well as worst-case scenarios. The time horizons in the analysis were short (< 2030), medium (2030–2040), and long term (2040–2050).

Step 4: Responding to climate-related risks and opportunities
Responsibility for strategic responses to climate-related risks and opportunities, as determined by enterprise risk management (ERM), rests with the appropriate managers. Based on the environmental information generated by the company's sustainability specialists, the annual development targets (indicators and development actions) are set with the management responsible of each function. The management is responsible for implementing the development and the specialists follow the development and indicators, providing follow-up information at group level.

CLIMATE-RELATED OPPORTUNITY PROCESS
Similarly, climate-related opportunities are integrated into strategy and other financial planning but are also treated by dedicated specialists in environmental and sustainability matters to reflect their strategic importance. A similar approach is applied to climate-related opportunities, which are part of annual strategic evaluations and analyses. Financial impact and likelihood of an opportunity unfolding determines the overall ranking and impact of opportunities.

OVERALL RISK MANAGEMENT PROCESS
The group's Enterprise Risk Management Policy focuses on managing both the risks pertaining to business and the risks affecting the achievement of the group's goals in the changing operating environment. The risks are classified as strategic, financial, and hazard risks. The process outlined above for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities falls under the category of strategic risks.

Responsibility for identifying, evaluating and, to a large extent, managing risks, is delegated to business units, business areas and functions. The process for identifying and evaluating climate risk is the task of the specialized environmental and sustainability unit. Assisted by the Audit Committee and the People and Sustainability Committee, the company's Board of Directors has the overall responsibility, and it monitors and assesses the efficiency of the company's risk management mechanisms. It also monitors the assessment and management of risks related to the company's strategy and operations. The Audit Committee and the People and Sustainability Committee monitor that the risk management actions are in line with the Enterprise Risk Management Policy.

The climate scenarios outlined in the risk management process are identical to the critical climate-related assumptions, such as the most significant risks noted in the Board of Directors' report.

The double materiality assessment identified and evaluated relevant impacts, risks, and opportunities related to pollution. However, the assessment did not include screenings of site locations concerning Nokian Tyres' own operations and upstream and downstream value chain.

Consultations with affected communities were completed as part of the assessment's stakeholder engagement. Nokian Tyres also conducted internal environmental impact and risk assessments, chemical operation supervisors performed site visits, and the Finnish Safety and Chemicals Agency (TUKES) carried out inspections.

Nokian Tyres' double materiality assessment concluded that Nokian Tyres' key impacts regarding pollution come from tire and road wear particles (TRWP) and chemical use. TRWP are considered as microplastics and can degrade local air quality, water and soil, and have negative effects on both ecosystems and human health. Ensuring chemical and environmental safety in all operations is part of the continuous sustainability work.

The risk of increasing regulatory obligations related to pollution can lead to increased costs of materials and product development. There's also a risk of penalties and litigation from the use of banned or restricted substances. However, innovation in tire design and materials could give Nokian Tyres an advantageous position in introducing more durable products that result in decreased generation of TRWP.

The topic of water and marine resources was assessed but not considered material. Water risk assessments for all current Nokian Tyres' production sites were conducted in 2023 using the WWF's water risks filters, and they are updated every three years. The assessments confirm that Nokian Tyres' water-related risks are minor and that the company does not operate in water-stressed areas.

As for Nokian Tyres' suppliers, less than three percent operate near areas of water stress. However, Nokian Tyres includes some disclosures on water in the Sustainability Statement's section Additional sustainability disclosures in order to provide data for corporate sustainability assessments and interested stakeholders.

The double materiality assessment identified and evaluated relevant impacts, risks, and opportunities related to biodiversity and ecosystems. The assessment did not include the screening of site locations pertaining to Nokian Tyres' operations, however.

As a tire manufacturer, Nokian Tyres is dependent on natural rubber, the cultivation of which has been identified to cause negative biodiversity impacts. In the summer 2023, shortly before the double materiality assessment process began, the biodiversity risks in Nokian Tyres' supply chain were assessed using the WWF's biodiversity risk filter. The filter includes systemic, transition, and physical risk and opportunity assessment and identification. According to this assessment

that later was utilized in the double materiality analysis, the biggest and the broadest biodiversity impacts in Nokian Tyres' raw material chain come from pollution, deforestation, and land use change, with natural rubber cultivation impacting biodiversity the most. In the assessment, the most important supplier locations and industry sectors were prioritized based on how high their physical versus reputational risk scores were. 32 sites were considered most impactful on biodiversity. Of the 32 sites, 25 are natural rubber farmers and manufacturers, three metal cord manufacturers, two textile/belt manufacturers, one oil company, and one chemical manufacturer. Regarding biodiversity risks, the most important countries for Nokian Tyres are Indonesia, Thailand, and Ivory Coast. The actual biodiversity impacts of individual supplier sites have not been investigated. Any mitigation measures required have not yet been defined.

Nokian Tyres is a member of the Global Platform for Sustainable Natural Rubber (GPSNR) and is informed of the affected communities' views through the GPSNR cooperation.

Natural diversity and the factors affecting it have been assessed at the tire factories in Finland, the US, and Romania, as well as the test tracks and the Vianor service centers owned by the company. According to the assessments, Nokian Tyres' current operations have no direct effects on biodiversity.

Nokian Tyres' double materiality assessment identified and evaluated the use of material resources, as well as impacts, risks, and opportunities related to the circular economy. However, this assessment did not include the screening of site locations pertaining to Nokian Tyres' operations.

During the assessment process, the company engaged with stakeholders and consulted the affected communities. No further assessments concerning circular economy risks and opportunities have been conducted.

Nokian Tyres is committed to continuously improving the quality, safety, and environmental sustainability of its products, services, and processes. As the company transitions from fossil-based materials to renewable or recycled alternatives, this shift is carefully managed through the gradual substitution of these materials.

The integration of new raw materials necessitates extensive product development and rigorous testing to ensure the optimal combination of properties for tire performance. It is crucial that the adoption of renewable and recycled materials does not compromise the safety characteristics of Nokian Tyres' products.

During the double materiality analysis, business conduct was mainly evaluated through the risk of potentially occurring misconduct or violations and therefore, received a fairly low materiality score. Nokian Tyres has well-established processes in place through which it can demonstrate and report how it mitigates potentially occurring impacts and risks. Ethical business conduct was, however, included in the scope of materiality, as it often represents a hygiene factor and foundation for sustainable business. The impacts and opportunities that received the highest score in the assessment were included in reporting.

IRO-2 Coverage of the Sustainability Statement

The ESRS Disclosure Requirements covered by this Sustainability Statement are presented in the ESRS Content Index on pages **130–133**. An index of datapoints deriving from other EU legislation is presented on pages **134–139**.

When disclosing information related to material topics, experts used their judgment to decide on which information is necessary to provide the needed understanding to stakeholders, and the members of the Management Team who are responsible for the development of the matters under their lead have reviewed and validated the disclosed information. Actions that were deemed not to provide material information regarding the material topics were not disclosed.

ENVIRONMENTAL INFORMATION

EU Taxonomy	63
E1 Climate change	69
E2 Pollution	81
E4 Biodiversity and ecosystems	87
E5 Resource use and circular economy	91

ENVIRONMENTAL INFORMATION

EU Taxonomy

The EU's 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. The Taxonomy Regulation classifies economic activities, which can potentially be aligned with the EU's environmental targets. 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.

Nokian Tyres has assessed taxonomy eligibility and taxonomy alignment based on the best interpretation of the EU Taxonomy Regulation, the Climate Delegated Act, and the guidelines provided by the European Commission. Nokian Tyres' sustainability experts have evaluated whether the economic activities identified in the taxonomy meet the criteria for taxonomy alignment. The assessment covered the criteria for substantial contribution and do no significant harm for each economic activity to determine taxonomy alignment. Minimum safeguards were reviewed at the group level.

Do no significant harm (DNSH)

While assessing the do no significant harm criteria, Nokian Tyres was found to be compliant. The company has reviewed the policies and procedures related to the topics below. Nokian Tyres has also conducted environmental impact assessments as part of ISO 14001 certification, and all required measures for protecting the environment are implemented based on the local regulatory requirements and included in the company's ISO 14001 certification and auditing processes.

Regarding climate change adaptation, Nokian Tyres performs regular climate risk assessments. The company has also conducted a scenario analysis. More information about the analyses and the risk and opportunity management process can be found under **ESRS 2 IRO-1** and **E1 SBM-3**.

Regarding sustainable use and protection of water resources, water risk assessments for Nokian Tyres' production sites have been conducted using the WWF's water risks filters, and they are updated every three years. The assessments confirm that Nokian Tyres' water-related risks are minor and that the company does not operate in water-stressed areas.

Nokian Tyres has reviewed the criteria for pollution prevention and control. Nokian Tyres does not use any carcinogenic or SVHC chemicals. More information about chemical use and control can be found under **E2-3**.

While transitioning to a circular economy, the company shifts from fossil-based materials to more sustainable alternatives with the target of increasing the share of renewable or recycled raw materials used in its tires to 50 percent by 2030. More information can be found under **E5-2**.

Regarding protection and restoration of biodiversity, according to the assessments conducted by Nokian Tyres, the company's current operations have no direct effects on biodiversity. The biodiversity risks in Nokian Tyres' supply chain were assessed using the WWF's biodiversity risk filter. More information about the assessments can be found under **E4 SBM-3**.

Minimum social safeguards

Nokian Tyres reviewed the minimum social safeguards criteria on human rights, bribery and corruption, taxation, and fair competition, and found to be compliant after assessing the processes, controls, and compliance measures related to these topics. Nokian Tyres' key policies, such as the Code of Conduct, Supplier Code of Conduct, and Anti-Bribery and Conflict of Interest Code of Conduct outline the principles expected from the company and its employees, suppliers, and other business partners.

Nokian Tyres has also defined its human rights due diligence process, and the company is committed to acting in the manner required by the UN's Guiding Principles for Business and Human Rights, adhering to the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and to following the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Nokian Tyres is a member of the UN's Global Compact initiative and follows its ethical principles.

Economic activities

The tire industry is included in the EU Taxonomy's technical screening criteria under the economic activity groups "Manufacture of other low-carbon technologies" (Climate change mitigation) and "Remanufacturing" (Transition to a circular economy). After investigating the EU Taxonomy's technical screening criteria, the following conclusions on Nokian Tyres' economic activities were made:

- Tires with low rolling resistance ratings that are manufactured by Nokian Tyres have a substantially lower life cycle carbon footprint than corresponding average tires.
- At this stage, Nokian Tyres has excluded all heavy off-road tires for professional use as there is no solid comparison data available of their use phase CO_2 emissions.
- Tire retreading can be included in the Remanufacturing section of the EU Taxonomy's environmental target Transition to circular economy.

Manufacture of tires with low life-cycle greenhouse gas emissions and tire retreading business activities represented 16.8 percent (14.9 in 2024) of Nokian Tyres' total net sales in 2025. Based on Nokian Tyres' assessment, these economic activities are EU Taxonomy eligible. Share of Opex within the same scope of EU Taxonomy was 14.0 (11.9) percent. Share of Capex within the same scope of EU Taxonomy was 12.5 (3.8) percent, and the significant increase was driven by investments in the factory in Romania. There are no updates or restatements performed in 2025 for the information reported in 2024.

Neither of the two economic activities contribute to multiple environmental objectives, therefore no items have been double counted for the numerator as further defined in the following section.

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

Nokian Tyres' approach to calculate the EU Taxonomy eligibility:

Net sales

- A: Amount of eligible net sales coming from tires that have EU Tyre Labelling grade A or B in rolling resistance and from tire retreading business activities, amounting to EUR 212.3 (192.5) million. Heavy off-road tires for professional use are excluded as there is no solid data (or public benchmark) available for use phase CO_2 emissions.
- B: Total amount of net sales under EU taxonomy is equal to the net sales reported in the consolidated income statement, amounting to EUR 1,373.6 (1,289.8) million
- C: Share of net sales within the scope of EU Taxonomy
- C = A/B%

Opex and Capex

- D: Eligible tire production companies' and retreading plants' Opex: Research and Development and real estate expenses deducted by depreciation and amortization, amounting to EUR 5.8 (4.7) million
- E: Group Opex: Research and Development and real estate expenses deducted by depreciation and amortization, amounting to EUR 41.6 (39.2) million
- 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 tires and offering retreading services with reasonable accuracy.

- G: Eligible tire production companies' and retreading plants' tangible, intangible, and right-of-use Capex, amounting to EUR 20.6 (15.4) million
- H: Group Capex under EU taxonomy including tangible, intangible, and right-of-use investments amounting to EUR 164.4 (400.1) million. Acquisitions of property, plant and equipment and intangible assets as included in the consolidated statement of cash flows amounting to EUR 126.9 (350.1) million excludes the impact from additions to right-of-use assets of EUR 37.5 (50.0) million. Additions to right-of-use assets are included in note 15 of the consolidated financial statements. The impact of additions to tangible and intangible assets are included in the note 13 and 14.
- 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 tires and offering retreading services with reasonable accuracy.

Remark: handpicking and assessing each investment's relation to EU Taxonomy separately is regarded not to give much additional accuracy.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025

	Financial year 2025			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	**Code (2)**	**Turnover (3)**	**Proportion of turnover, year 2025 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) turnover, year 2024 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacturing of other low carbon technologies	3.6.	212.3	15.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	13.6%	E	
Repair, refurbishment and remanufacturing	5.1.	18.8	1.4%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y		Y	Y	1.4%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**231.2**	**16.8%**	**92%**	**0%**	**0%**	**0%**	**8%**	**0%**		Y	Y	Y		Y	Y	**14.9%**		
Of which enabling		231.2	16.8%	92%	0%	0%	0%	8%	0%		Y	Y	Y		Y	Y	14.9%	E	
Of which transitional																			
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-								-		
Turnover of Taxonomy-eligible activities (A.1+A.2)		231.2	16.8%														14.9%		
TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		1,142.5	83.2%																
TOTAL		**1,373.6**	**100%**																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025

	Financial year 2025			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2025 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) CapEx, year 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacturing of other low carbon technologies	3.6.	20.2	12.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	3.7%	E	
Repair, refurbishment and remanufacturing	5.1.	0.4	0.2%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y		Y	Y	0.1%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**20.6**	**12.5%**	**98%**	**0%**	**0%**	**0%**	**2%**	**0%**		Y	Y	Y		Y	Y	**3.8%**		
Of which enabling		20.6	12.5%	98%	0%	0%	0%	2%	0%		Y	Y	Y		Y	Y	3.8%	E	
Of which transitional																			
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-								-		
CapEx of Taxonomy-eligible activities (A.1+A.2)		20.6	12.5%														3.8%		
TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		143.9	87.5%																
TOTAL		**164.4**	**100%**																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2025

	Financial year 2025			Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2025 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1) or -eligible (A.2) OpEx, year 2024 (18)	Category enabling activity (19)	Category transitional activity (20)
		EUR million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
TAXONOMY-ELIGIBLE ACTIVITIES																			
Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacturing of other low carbon technologies	3.6.	5.8	14.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL		Y	Y	Y	Y	Y	Y	11.9%	E	
Repair, refurbishment and remanufacturing	5.1.	-	0.0%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y		Y	Y	0.0%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**5.8**	**14.0%**	**100.0%**	**0%**	**0%**	**0%**	**0.0%**	**0%**		Y	Y	Y		Y	Y	**11.9%**		
Of which enabling		5.8	14.0%	100.0%	0%	0%	0%	0.0%	0%		Y	Y	Y		Y	Y	11.9%	E	
Of which transitional																			
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	-	-	-	-	-	-	-								-		
OpEx of Taxonomy-eligible activities (A.1+A.2)		5.8	14.0%														11.9%		
TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		35.8	86.0%																
TOTAL		**41.6**	**100%**																

Nuclear and fossil gas related activities

Nuclear energy related activities	YES/NO
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities	YES/NO
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

ENVIRONMENTAL INFORMATION

E1 Climate change

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Emissions and energy	• Negative impacts due to greenhouse gas emissions from own operations (Scope 1 and 2) • Negative impacts due to greenhouse gas emissions in the value chain (Scope 3) • Opportunity of increased revenue and/or cost savings due to climate-friendly technologies • Opportunity of increased revenue from competitive product portfolio • Opportunity of increased revenue due to innovative and low-carbon raw materials • Risk of increasing costs related to tire raw materials • Risk of further environmental fees (e.g., additional taxes, certification costs)	• Environmental, Safety, and Quality Guideline • Code of Conduct • Supplier Code of Conduct • Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation	**Nokian Tyres is committed to environmental responsibility, focusing on reducing greenhouse gas emissions, improving energy efficiency, and prioritizing renewable energy.** The company is committed to continuously improving the quality, safety and environmental friendliness of its products, services, and processes. The company requires suppliers to identify, monitor, manage, and reduce air emissions, aiming for low-carbon solutions where possible. Additionally, Nokian Tyres conducts regular internal audits to ensure compliance with customer and legislative requirements, regulations, and instructions, as well as to evaluate the efficiency of its operational systems.

E1-1 Transition strategy for climate change mitigation

Nokian Tyres adopted a transition plan for climate change mitigation in early 2026, after the end of the reporting period. The foundation of the plan was laid out in 2024 when the company's updated greenhouse gas emission reduction targets were approved by the Science Based Targets initiative and confirmed by Nokian Tyres' Board of Directors.

The company's targets concern both Nokian Tyres' own operations and the value chain, and the company is expected to reach net-zero greenhouse gas emissions by 2050, aligning with the Paris Agreement. The Scope 1 and 2 targets are aligned with the 1.5-degree pathway, and there are also targets for the company's significant Scope 3 categories. The detailed targets can be found under **E1-4**. In addition, the transition plan includes intermediate targets.

Main decarbonization levers and key actions

To enable the transition, Nokian Tyres plans on

- Operational process decarbonization at all factories, Vianor service centers, and other relevant units
- R&D and procurement efforts to decrease emissions from raw materials and tire use
- Supply chain and logistics decarbonization
- Switching to low-emission company vehicles.

In the long term, Nokian Tyres might also utilize high-quality carbon offsets for residual emissions.

The levers require extensive cooperation across operations and in the value chain. Significant current and near-term actions are the following:

- Studies and actions for replacing fossil fuels are ongoing. In 2025, all energy used at the Romania factory was wind energy and thus from zero-CO_2-emissions sources.
- Nokian Tyres aims to maximize the use of zero-CO_2-emissions energy sources. This is done by, e.g., covering the electricity use by self-generated solar energy, zero-CO_2 electricity certificates, and power purchase agreements with renewable energy producers.
- Continued energy efficiency projects to reduce energy use
- Increasingly requiring suppliers to lower the CO_2 footprint of their processes and products and to calculate and report their greenhouse gas emissions transparently and reliably
- Nokian Tyres' target of increasing the share of recycled and renewable materials in tires to 50 percent by 2030 supports the CO_2 emission reductions.

The plan does not include cost estimates, as there is significant uncertainty of expenses related to actions, in particular for those aimed at reducing Scope 3 emissions. As for Scope 1 and 2, additional expenses during the next five years are expected to be mostly related to reducing emissions from natural gas used at the factory in the US. Actions, investments, and expenditures needed for the realization of the plan are integrated into Nokian Tyres' short-term and long-term strategic and financial planning, including the annual budgeting process. During 2025, direct investments and expenditures related to greenhouse gas emission reduction were not considered financially material in terms of overall investment and expenses. The actions in 2025 were business-as-usual activities, such as R&D actions targeted for improved environmental performance of tires and purchasing zero-CO_2-emissions energy. To implement the transition plan, Nokian Tyres will continue with the investments and programs regarding manufacturing and product development that are already ongoing, and the company will start new investments and expenditures as needed while proceeding with the plan.

Nokian Tyres Group has arranged part of its external financing as sustainability-linked funding. There is more information on this topic under **ESRS 2 SBM-3**.

Potential locked-in greenhouse gas emissions

Nokian Tyres assessed the potential locked-in greenhouse gas emissions from its key assets and from the use of products sold and concluded that they will not jeopardize the achievement of the company's greenhouse gas reduction targets nor drive transition risk.

Nokian Tyres assesses that there are solutions available in the short or medium term for GHG emissions linked to the company assets. Hence there are no locked-in GHG emissions from the assets. As for the use of products sold, based on the GHG Protocol and recalled by the Science Based Targets initiative, the emissions from tire use are not included in the value chain emissions reduction targets scope, as the emissions are already accounted for in the overall emissions balance of vehicles. Nevertheless, Nokian Tyres continuously improves the energy efficiency of its products to minimize their indirect contribution to vehicle energy consumption.

Taxonomy regulation and Paris-aligned benchmarks

The tire industry is included in the EU Taxonomy's technical screening criteria under the economic activity groups "Manufacture of other low-carbon technologies" (Climate change mitigation) and "Remanufacturing" (Transition to a circular economy). Nokian Tyres' alignment of operating expenses and capital expenditure to the EU Taxonomy objectives is disclosed under the section "**EU Taxonomy**".

Nokian Tyres aims to increase the share of the company's EU Taxonomy-aligned economic activities by improving the rolling resistance of its tires, targeting to increase the number and share of rolling resistance class A and B tires, and to have at least 60 products in the best rolling resistance A class by 2028. Nokian Tyres also promotes tire retreading and other circular solutions.

Nokian Tyres is not excluded from the EU Paris-aligned Benchmarks, as the Group is not involved in environmentally harmful practices as specified in Article 12 of the Commission delegated regulation (EU) 2020/1818.

Continuing the work to address climate change

The transition plan was approved by the Board of Directors in early 2026, and its implementation is ongoing. Nokian Tyres has been a forerunner in the tire industry in reducing Scope 1 and 2 greenhouse gas emissions from tire factories, and the targets and actions included in the transition plan will continue the company's ambitious climate work. To drive the achievement of climate targets, the reduction of Scope 1 and 2 carbon dioxide equivalent (CO_2e) emissions is linked to long-term incentive programs.

Nokian Tyres' first science-based emissions reduction targets were approved by the Science Based Targets initiative already in 2020. The company achieved its key Scope 1 and 2 reduction target in 2023, seven years in advance, and consequently updated its science-based emission reduction targets in 2024.

Nokian Tyres monitors its greenhouse gas emissions and the realization of action plans to ensure that the company makes due progress in the achievement of targets. Greenhouse gas emission figures are reported under **E1-6**.

Nokian Tyres may update its transition plan as methods and technologies for reducing greenhouse gas emissions develop or if there are significant changes in the company's strategy or business scope.

SBM-3 Aiming for leadership in addressing climate change

Nokian Tyres aims to demonstrate leadership in addressing climate change by setting ambitious climate targets. The company seeks to reduce emissions across its operations and supply chain, as well as from tire usage. Approximately 85 percent of the carbon footprint of a tire from Nokian Tyres is generated during its use, with fuel or energy consumption being the most significant environmental impact over the tire's lifespan. Tires with low rolling resistance help save fuel and reduce CO_2e emissions.

Analyzing material climate risks

The tire industry faces various climate-related risks, including shifting consumer preferences, regulatory changes, and the effects of extreme weather on natural rubber production. After identifying the most material physical and transition risks, Nokian Tyres carried out a scenario analysis between December 2023 and February 2024 to increase understanding of the resiliency of the company and how certain scenarios in the short (< 2030), medium (2030–2040), and long term (2040–2050) may impact the company financially moving forward. The scenario analysis examined the resilience of the entire Nokian Tyres organization.

The results of the analysis of material transition risks showed that both price and availability of more renewable materials can be expected to be vulnerable. As the development of alternatives is still ongoing, the likelihood of this risk affecting Nokian Tyres in the short term can be expected to be high, and medium in the medium and long term. As this transition requires high resources for R&D and a shortage of the material can entail a high loss of income, the potential financial risk is considered high in the short term and medium in the medium and long term. To mitigate these risks, Nokian Tyres plans to keep investing in R&D regarding both natural rubber and other alternatives to fossil-based materials. By investing in early research, Nokian Tyres can create the opportunity to stay ahead of the curve and avoid being affected by potential supply shortages and price spikes.

The results also showed that carbon taxes are expected to rise significantly. Based on the analysis, the likelihood of carbon prices affecting the company in the short, medium and long term is considered high and thus has the potential to cause a medium financial impact. Nokian Tyres increases the use of non-fossil materials, which decreases the risk. The company also participates in industry sector working groups and closely monitors emerging regulation.

E1-2 Policies related to climate change mitigation and adaptation

Nokian Tyres' Code of Conduct states that the company is committed to reducing greenhouse gas emissions. The Environmental, Safety, and Quality Guideline describes the matter further by stating Nokian Tyres' commitment to environmental responsibility, which includes but is not limited to reducing greenhouse gas emissions, improving energy efficiency, and preferring renewable energy. The guideline also pledges to set targets to reduce environmental impacts. The President and CEO is accountable for its implementation.

The Environmental, Safety, and Quality Guideline can be found on the corporate website **company.nokiantyres.com**. Nokian Tyres is committed to consulting with stakeholders on environmental matters and reporting on them regularly. The guideline received minor updates in 2025 based on customer needs. In previous updates, the views of other stakeholders have also been considered.

According to Nokian Tyres' Supplier Code of Conduct, the supplier shall identify, monitor, manage, and reduce emissions to air from its operations. The supplier shall seek low carbon solutions, when possible.

Nokian Tyres' Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation (formerly the Sustainable Natural Rubber Policy) expects natural rubber suppliers to join in combatting against climate change. Suppliers are, for example, expected to manage their operations in a manner that minimizes and mitigates greenhouse gas emissions (including carbon emissions) and to actively seek for low carbon solutions, when possible. The Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation was updated in 2025 to include more topics related to biodiversity, deforestation, and the EUDR.

The Senior Vice President of Operations in the Management Team is the most senior executive accountable for the implementation of the Supplier Code of Conduct and the Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation. Both policies are available on the corporate website **company.nokiantyres.com**.

Greenhouse gas emissions from operations are calculated annually and reduced systematically. Nokian Tyres monitors and reports its greenhouse gas emissions through the calculation of the CO_2 equivalent unit, CO_2e. Nokian Tyres' tire production's greenhouse gas (GHG) emissions from raw material purchasing to the disposal of the product are calculated in compliance with the GHG protocol.

In May 2018, the company joined the Science Based Targets initiative (SBTi) with the aim of setting more precise climate targets that are assessed and validated by an external organization. The company's science-based greenhouse gas emission reduction targets were published in May 2020, and Nokian Tyres was the first company in the tire industry to have its targets officially approved by the Science Based Targets initiative.

In 2023 Nokian Tyres committed to setting targets to reach science-based net-zero greenhouse gas emissions by 2050. The SBTi approved Nokian Tyres' new and more ambitious emission reduction targets in 2024, and these updated Scope 1 and 2 targets align with the 1.5-degree pathway.

E1-3 Actions and resources in relation to climate change policies

Reducing greenhouse gas emissions

Nokian Tyres purchases zero-CO_2e and renewable energy certificates for the factories in Finland and in the US and for Vianor. This approach will cover Scope 2 emissions for both the reporting year and future periods. The company estimates electricity use for both factories and assesses how these certificates reduce GHG emissions both now and in the future.

Additionally, the factory in Romania is critical for achieving the GHG emission reduction targets, since it is a zero-CO_2e-emissions (Scope 1 & 2) factory. Thus, emission reductions are significant when producing tires at the Romanian factory compared to production in Finland or in the US.

In the coming years, Nokian Tyres will concentrate on actions that are defined in the transition plan.

Tires' rolling resistance affects emissions from driving

The use of fossil fuels accounts for most of human-generated carbon emissions. Carbon dioxide is the most significant greenhouse gas generated by traffic. When a tire rolls against the road surface, energy is lost mainly due to heat build-up; this is referred to as rolling resistance. The higher the rolling resistance is, the higher the fuel consumption and CO_2 emissions will be.

Fuel consumption during driving is the single most significant environmental impact over a tire's service life. Tires with low rolling resistance may save more than 0.5 liters of fuel per 100 kilometers and thus reduce CO_2 emissions.

The EU Tyre Label categorizes fuel efficiency on a scale from A to E. The share of lower rolling resistance tires (class A, B, and C tires) manufactured by Nokian Tyres is over 90 percent, and the company continues to invest in the development of new low rolling resistance tires. At the moment, class C is the most common fuel economy rating for Nokian Tyres' passenger car tires. More information about the label categories is presented in the topic "**Consumers and end users**".

Approximately 85 percent of a Nokian Tyres' tire's carbon footprint is created during its use. A wise choice of tires, the right tire pressure, and a careful driving style significantly reduce the CO_2 emissions from driving.

E1-4 Targeting to reduce emissions across the value chain

Science-based targets

Nokian Tyres has four science-based emission reduction targets that are in line with the Paris Agreement. The Scope 1 and 2 targets are in line with the 1.5 degree pathway. The base year for the targets is 2022. The two near-term targets should be achieved by 2030 and the two long-term targets by 2050. The Science Based Targets initiative (SBTi) has validated the targets, and Nokian Tyres Board of Directors has confirmed them.

The consistency of greenhouse gas (GHG) emission reduction targets with GHG inventory boundaries was ensured through approval by the SBTi. Nokian Tyres selected 2022 as the base year to ensure that the baseline value accurately represents the activities covered and accounts for external influences, making the data as current and relevant as possible. The base year values are available in the table **Greenhouse gas emissions**.

NEAR-TERM TARGETS, BY 2030:

Absolute Scope 1 and 2 GHG emissions:
- Reduce by 42 percent from the 2022 base year.

Scope 3 GHG emissions:
- Reduce by 51.6 percent per ton of product purchased.
- Target includes emissions from purchased goods and services (excluding emissions calculated by spend), and upstream transportation and distribution.

LONG-TERM TARGETS, BY 2050:

Absolute Scope 1 and 2 GHG emissions:
- Reduce by 90 percent from the 2022 base year.

Scope 3 GHG emissions:
- Reduce by 97 percent per ton of product purchased.
- Target includes emissions from purchased goods and services, capital goods, and upstream transportation and distribution.

	Base year 2022	2024	2025
Scope 1 & 2 t CO_2e	31,680	21,642	**19,555**
Scope 3 (near term) kg CO_2e / ton of product purchased	3,436	3,726	**3,638**
Scope 3 (long term) kg CO_2e / ton of product purchased	4,718	5,164	**4,451**

Reducing emissions from traffic

To reduce emissions from traffic, the company aims to have at least 60 products in the best rolling resistance A class by 2028. It's good to note that the number of A class tires does not increase in a linear manner but is dependent on new product launches as well as discontinued products. During 2025, three new products were included in the rolling resistance class A in EU Tyre Labelling.

Nokian Tyres products in the rolling resistance A class*

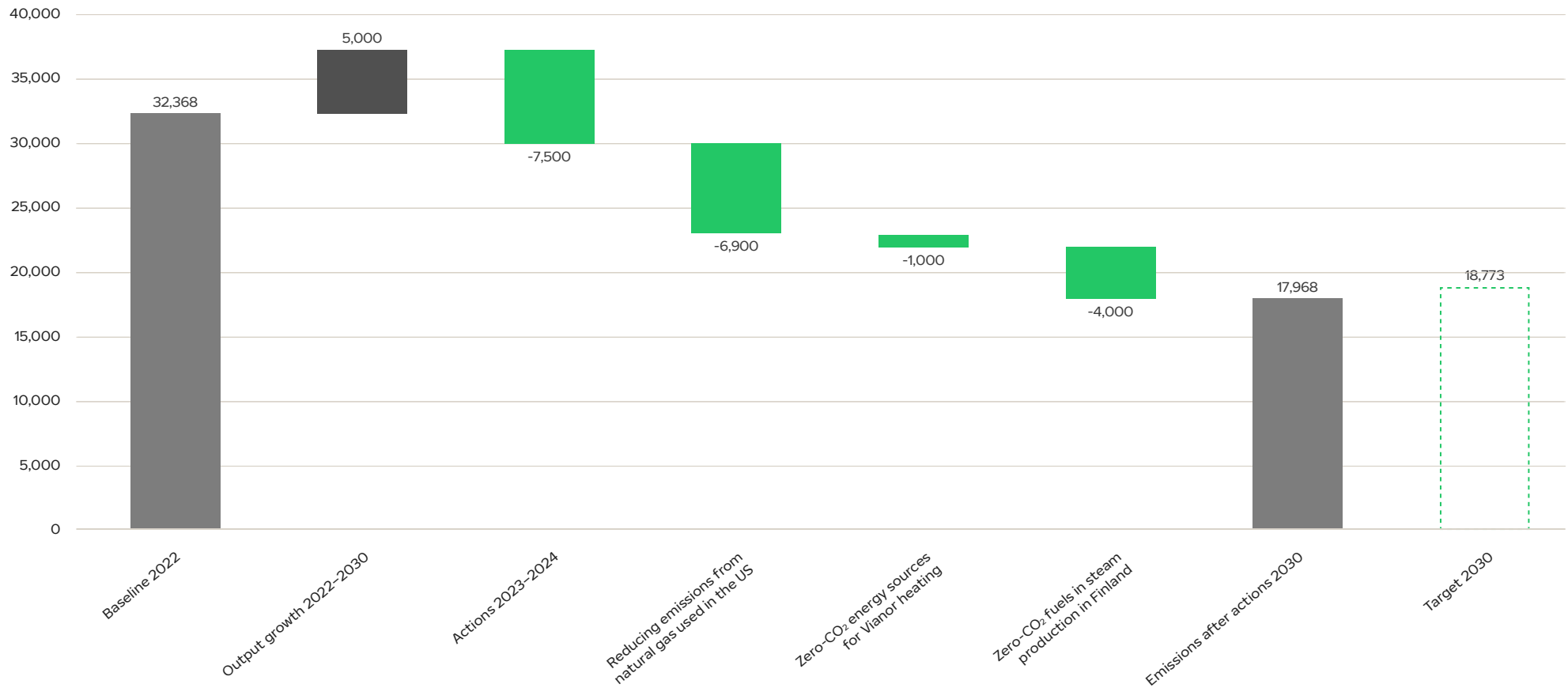
2024	2025	Goal for 2028
10	**13**	min. 60

*Tires included in the EU Tyre Labelling.

The expected decarbonization levers and actions are discussed under **E1-1**, and their overall quantitative contributions to achieving the 2030 emission reduction targets are described in the following bridge charts. Nokian Tyres does not yet publish estimates of quantitative contributions of different actions for the years 2030 to 2050, as technologies evolve and are likely to affect selected actions from 2030 onward.

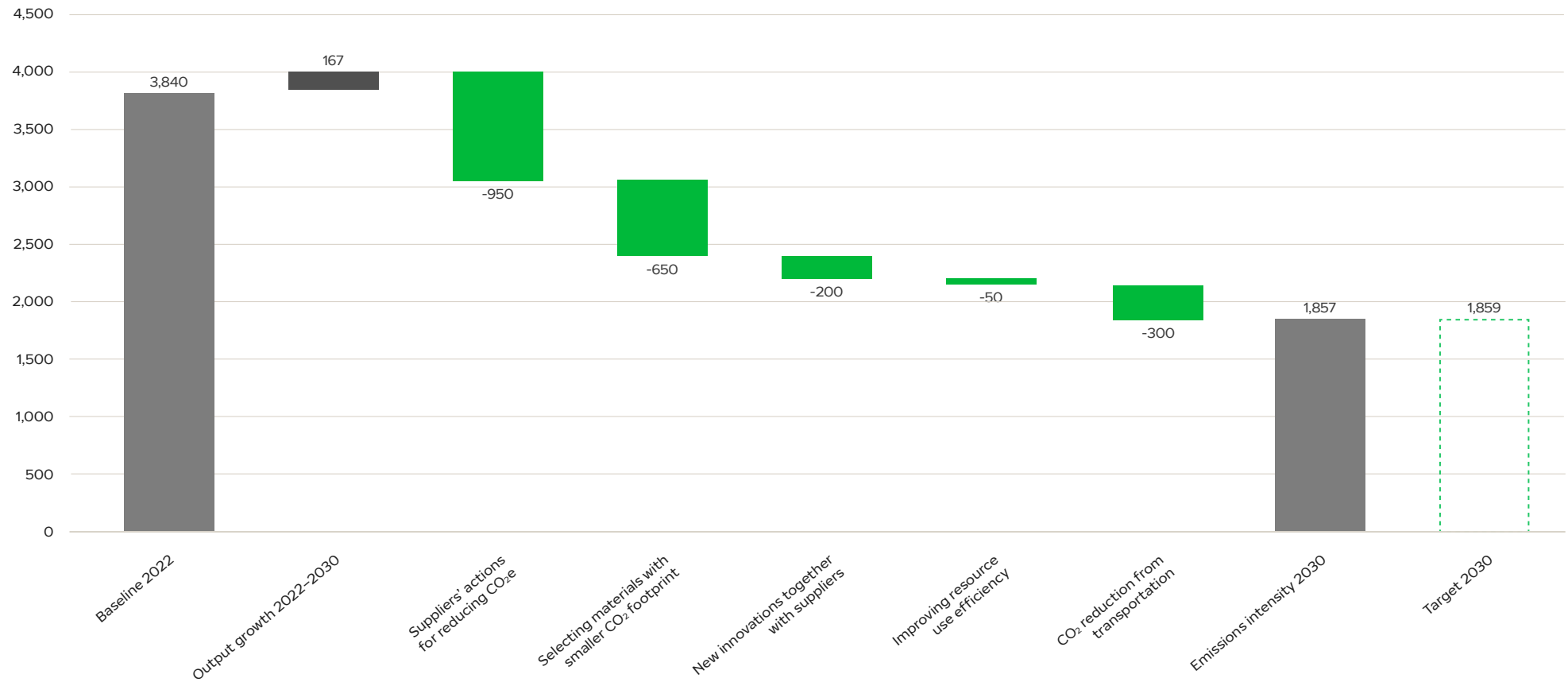
Estimated impact of planned key actions on Scope 1 and 2 CO_2 emissions until 2030

CO_2e tons



Estimated impact of planned key actions on Scope 3 intensity (kg CO_2e / t purchased) until 2030

kg CO_2e / ton purchased



E1-5 Energy consumption and mix

Nokian Tyres purchases energy for its factories from external suppliers, and the company also generates some of the electricity and steam that it uses. In 2025, 80.5 percent (66.3% in 2024) of all energy used in the tire factories was produced from renewable energy sources.

The high climate impact sectors used to determine energy intensity are Manufacture of rubber and plastic products NACE code C22.11 for Nokian Tyres and Sale of motor vehicle parts and accessories NACE code G45.3 for Vianor.

Energy intensity per net sales

	2025	2024	% 2025 / 2024
Total energy consumption from activities in high climate impact sectors per net sales from activities in high climate impact sectors (MWh/EUR million)	**315.5**	294.6	107%
Net sales from activities in high climate impact sectors used to calculate energy intensity (EUR million)	**1,373.6**	1,289.8	
Net sales (other) (EUR million)	**-**	-	
Total net sales (Financial Statements) (EUR million)	**1,373,6**	1,289.8	

Energy consumption and mix

	2025	2024	Tire factory, Finland 2025	Tire factory, Romania 2025	Tire factory, US 2025	Wheel factory, Finland 2025	Other 2025
(1) Fuel consumption from coal and coal products (MWh)	**-**	-	-	-	-	-	-
(2) Fuel consumption from crude oil and petroleum products (MWh)	**3,809**	4,483	0	0	0	22	3,787
(3) Fuel consumption from natural gas (MWh)	**71,296**	71,140	0	0	66,376	4,064	856
(4) Fuel consumption from other fossil sources (MWh)	**-**	-	-	-	-	-	-
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	**27,302**	37,974	3,880	0	0	1,407	22,015
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	**102,407**	113,596	3,880	0	66,376	5,493	26,658
Share of fossil sources in total energy consumption (%)	**23.6**	29.9%	1.9	0	60.4	53.5	41.8
(7) Consumption from nuclear sources (MWh)	**10,004**	55,280	0	0	0	4,784	5,221
Share of consumption from nuclear sources in total energy consumption (%)	**2.3**	14.5%	0	0	0	46.5	8.2
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	**359**	338	0	0	0	0	359
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	**317,658**	207,534	198,570	47,063	40,535	0	31,490
(10) The consumption of self-generated non-fuel renewable energy (MWh)	**3,003**	3,217	0	0	3,003	0	0
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**321,020**	211,089	198,570	47,063	43,538	0	31,849
Share of renewable sources in total energy consumption (%)	**74.1**	55.6%	98.1	100	39.6	0	50
Total energy consumption (MWh) (calculated as the sum of lines 6, 7, and 11)	**433,431**	379,966	202,450	47,063	109,914	10,277	63,728

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

In 2025, GHG emissions from Nokian Tyres' factories represented 54 percent of its total GHG emissions. The factory emissions are available in the table **Greenhouse gas emissions from factories 2025** on the next page. The tire factories' Scope 1 and 2 emissions intensity per ton of tires produced was 114 kg CO_2e / ton of product.

Nokian Tyres' Scope 1 emissions include emissions from self-generated energy and from vehicles. The emissions are calculated using Defra emissions factors and emissions data from the fleet management company. Scope 2 location-based emissions calculation is based on the average emissions intensity of power grids in the operations countries, using emission factors from the International Energy Agency (IEA). In the Scope 2 market-based emissions calculation, supplier-based emissions factors are used where available and in other cases the calculation is based on country-level residual mix emission factors from the Association of Issuing Bodies (AIB). The emissions factors for district heating are from Defra.

In 2025, the calculation of Scope 1 and 2 emissions improved, as some estimates were more precise due to better data availability. Therefore, the figures from 2022 and 2024 marked with an asterisk (*) have been restated. In the company's Sustainability Statement 2024 they were reported as follows (tCO_2eq):

- Scope 1: 10,978 and 15,195 for 2022 and 2024, respectively
- Scope 2 (location-based): 26,562 and 28,840
- Scope 2 (market-based): 21,390 and 7,803.

Greenhouse gas emissions

	Retrospective				Milestones and target years			
	Base year	2024	2025	% 2025 / 2024	2025	2030	2050	Annual % target / Base year[2]
Scope 1 GHG emissions	**2022**							
Gross Scope 1 GHG emissions (tCO_2eq)	10,494*	14,702*	**14,896**	101%	**12,000**	14,000	2,000	**-4.2%**
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	**0**					
Scope 2 GHG emissions	**2022**							
Gross location-based Scope 2 GHG emissions (tCO_2eq)	25,845*	23,389*	**32,183**	138%				
Gross market-based Scope 2 GHG emissions (tCO_2eq)	21,186*	6,940*	**4,659**	67%	**15,250**	4,360	1,160	9.9%
Scope 1 + Scope 2 (market-based) emissions	31,680	21,642	**19,555**	90%	**27,250**	18,360	3 ,160	5.3%
Significant scope 3 GHG emissions	**2022**							
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	7,151,790	7,642,986	**7,935,043**	104%				
1 Purchased goods and services	589,545	647,242	**682,506**	105%	**409,924**	507,003	81,575	1.8%
2 Capital goods	54,206	135,476	**55,994**	41%	**49,704**	89,233	7,405	-8.1%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	13,925	16,321	**17,453**	107%				
4 Upstream transportation and distribution	53,124	57,603	**72,538**	126%	**44,202**	58,565	7,257	-1.3%
5 Waste generated in operations	280	267	**332**	125%				
7 Employee commuting[1]	1,059	1,368	**1,985**	145%				
8 Upstream leased assets	12,708	8,323	**8,171**	98%				
9 Downstream transportation	446	241	**266**	110%				
11 Use of sold products	6,422,428	6,770,121	**7,089,665**	105%				
12 End-of-life treatment of sold products	4,070	6,025	**6,133**	102%				
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	7,188,129	7,681,077	**7,982,122**	104%				
Total GHG emissions (market-based) (tCO_2eq)	7,183,470	7,664,628	**7,954,598**	104%				

[1]Includes the tire factories.
[2]2030 target used in calculation.
*Restated

The absolute Scope 3 emissions targets for 2030 and 2050 have been revised due to updated forecasts. Scope 3 categories exclude those that are not related to Nokian Tyres' business (e.g., category 15) and those that account for less than one percent of the group's total emissions (e.g., category 6). The calculation principles for Scope 3 emissions are described below.

Category 1: Purchased goods and services

Raw material emissions were calculated by multiplying the mass of received raw materials with emissions factors from suppliers or from sustainability software libraries representing the industry average values. For other purchased products for which data on quantity was available, the emissions factors were estimated using Nokian Tyres' own production data. For purchased steel, emissions factors were received from steel producer. The emission of all other goods and services were calculated using spend-data and multiplied with Defra monetary emissions factors. The Nokian Tyres spend categories do not completely match with Defra emissions factors, and therefore the most suitable emissions factor was selected for each spend category.

Primary data: 80 percent. Secondary data: 20 percent.

Category 2: Capital goods

CO_2e emissions were calculated using the spend data multiplied with Defra emissions factors. Nokian Tyres' spend categories do not completely match with Defra emissions factors, and therefore the most suitable emissions factor was selected for each spend category.

Primary data: 0 percent. Secondary data: 100 percent.

Greenhouse gas emissions from factories 2025

	Tire factory, Finland	Tire factory, Romania	Tire factory, US	Wheel factory, Finland
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (tCO_2eq)	50	0	12,147	830
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO_2eq)	4,921	10,636	12,070	431
Gross market-based Scope 2 GHG emissions (tCO_2eq)	1,278	0	0	247
Scope 1 + Scope 2 (market-based) emissions	1,328	0	12,147	1,077
Significant Scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	3,410,442	313,535	557,896	18,152
1 Purchased goods and services	363,451	49,475	110,002	16,721
2 Capital goods	12,621	39,160	3,074	0
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	7,044	961	7,321	376
4 Upstream transportation and distribution	36,452	118,94	14,855	899
5 Waste generated in operations	65	81	110	52
7 Employee commuting	327	713	946	0
8 Upstream leased assets	286	39	12	0
9 Downstream transportation	93	33	42	98
11 Use of sold products	2,987,058	210,866	419,679	0
12 End-of-life treatment of sold products	3,046	314	1,855	7
Total GHG emissions				
Total GHG emissions (location-based) (tCO_2eq)	3,415,413	324,171	582,113	19,413
Total GHG emissions (market-based) (tCO_2eq)	3,411,770	313,535	570,043	19,229

GHG intensity per net sales

	2025	2024	% 2025 / 2024
Total GHG emissions (location-based) per net sales (tCO_2eq / EUR million)	**5,810.9**	5,955.2	98%
Total GHG emissions (market-based) per net sales (tCO_2eq / EUR million)	**5,790.9**	5,942.5	97%
Net sales used to calculate GHG intensity (EUR million)	**1,373.6**	1,289.8	
Net sales (other) (EUR million)	**-**	-	
Total net sales (in Financial Statements) (EUR million)	**1,373.6**	1,289.8	

Category 3: Fuel- and energy-related activities (not included in Scopes 1 and 2)

The main sources for energy consumption figures were Nokian Tyres' own systems and meters and energy supplier invoices or portals. The source for some of Vianor's electricity figures were centralized portals or electricity provider portals, and energy consumption for service centers which were not included in the portals were calculated using the average electricity consumption per service center. Vianor's heat energy consumption was estimated based on the average energy consumption of Vianor Finland, for which the data source was Vianor Finland invoices.

Primary data: 100 percent. Secondary data: 0 percent.

Category 4: Upstream transportation and distribution

Some transportation suppliers report the CO_2e data related to raw material and tire transportations, covering approximately 40 percent of upstream transportation and distribution emissions in 2025. For the remaining share, the emissions were calculated using the mass of received goods per country of origin and estimated distances covered per each transportation mode. Country of origin distances per transportation mode were estimated per each destination (Nokian Tyres' location). In wheel manufacturing operations, the three biggest suppliers (by mass) were identified, and their haulages were calculated. Haulage means multiplying the mass with the distance, and its unit is tonne-kilometer, tkm. The haulages were summarized and then extrapolated to represent 100 percent of transportation of purchased materials. A similar approach was used for final goods transportation.

Primary data: 40 percent. Secondary data: 60 percent.

Category 5: Waste generated in operations

Nokian Tyres received activity data from waste management suppliers' portals and reports. Waste was classified according to waste type and waste treatment type, and multiplied with the corresponding Defra emissions factor.

Warehouses, sales companies and test centers' waste were excluded due to lack of precise data. However, the share is small (0.001% of total Scope 3 emissions).

Primary data: 100 percent. Secondary data: 0 percent.

Category 6: Business travel

This category is excluded from Nokian Tyres' GHG inventory, as its share of total Scope 3 emissions is small (0.01%). Additionally, the GHG emissions data is only partly available from travel agencies, and therefore the rest of the data is fully estimated.

Category 7: Employee commuting

Employee commuting includes only the tire factories. The CO_2e emissions were calculated by multiplying the quantity of employees with average commuting days and average commuting distance. The headcount figures are actual from Nokian Tyres' HR system, and the average commuting days and distances are estimates.

The total distances received from the calculations were split per transportation mode. The shares of transportation modes are estimates. Total kilometers per transportation mode are linked to the related emissions factor from Defra.

Primary data: 0 percent. Secondary data: 100 percent.

Category 8: Upstream leased assets

Nokian Tyres' upstream leased assets include leased warehouses, leased offices, and leased vehicles. The average energy consumption of warehouses was calculated by using the energy data from warehouses where the energy consumption and storage capacity and storage area were known. The warehouses' energy consumption was estimated by using the previously mentioned average and storage area of all warehouses.

Average energy consumption per office employee was calculated from energy consumption and headcount data. The total energy consumption per office was calculated by multiplying the average energy consumption per employee with the quantity of employees for each office.

For warehouses and offices, CO_2e emissions were calculated with Defra emissions factors.

The vehicle fleet management company estimates the annual emissions per vehicle. Nokian Tyres' average fleet emission factor kg CO_2e/vehicle was calculated from the total fleet report. The total leased vehicles' CO_2e emissions were calculated by multiplying the quantity of vehicles with the average fleet emission factor.

Primary data: 40 percent. Secondary data 60 percent.

Category 9: Downstream transportation and distribution

Less than one percent of tire deliveries was paid for by the customers. Calculation was distance-based, using the country level average estimated distances and the average weight and quantity of the products transported.

From wheel manufacturing, roughly 16 percent of final goods deliveries are paid for by the customers. In the haulage calculation, top 3–5 highest quantity customers (by mass) haulages were calculated. This was extrapolated to 100 percent

of final product transportation. Total wheel transportation and distribution emissions were then calculated, and the 16 percent share of customer paid transportation was calculated and reported as downstream transportation and distribution.

Primary data: 0 percent. Secondary data: 100 percent.

Category 10: Processing of sold products

Most tires were installed in Vianor service centers, and therefore the energy consumption of installation is already included in Nokian Tyres' GHG inventory (Scope 1 and 2). Thus, Nokian Tyres considers category 10 as not applicable.

Category 11: Use of sold products

For all passenger car tires, an average use phase emissions factor was calculated according to formulas stated in the Product Category Rules for Tires.

For all other tires, an average use phase emissions factor was calculated with Nokian Tyres' own formula, which considers machinery's estimated fuel consumption, quantity of tires per machine, estimated tire life cycle, estimated share of machinery fuel consumption related to tires, and diesel emission factor in Finland.

Nokian Tyres opted to leave out the purchased and produced wheels (rims), because according to the GHG protocol, this is an optional category if emissions are indirect. Wheels do not consume energy or produce emissions, but they indirectly affect vehicle fuel consumption negatively due to rolling resistance.

Primary data: 0 percent. Secondary data: 100 percent.

Category 12: End-of-life treatment of sold products

The average tire masses were multiplied with the quantity of produced and purchased tires per tire classes (passenger car, truck and bus, heavy tires).

Each country has its own distribution of how end-of-life tires are treated. For Finland, Sweden and Norway, the distributions are received from the tire recycling companies. For other countries, average values per region from Product Category Rules for Tires are used.

The total mass of wheels is allocated between recycled and landfilled fractions (OECD: 85 percent recycled, so the remaining 15 percent is considered landfilled).

The total mass per disposal method is linked to corresponding emissions factor from Defra to calculate the related emissions. All reused and recycled end-of-life products are considered zero-CO_2-emission for Nokian Tyres GHG inventory.

Primary data: 0 percent. Secondary data 100 percent.

Category 13: Downstream leased assets

Nokian Tyres does not have downstream leased assets, and therefore this category is not applicable.

Category 14: Franchises

Nokian Tyres does not have franchises, and therefore this category is not applicable.

Category 15: Investments

Nokian Tyres does not operate in the investment business, and therefore this category is not applicable.

Biogenic emissions data is generally not available from suppliers, so Nokian Tyres is unable to report them comprehensively. The amount of biogenic emissions from the Finnish tire factory in Scope 2 was 43,388 tons CO_2e (40,506 tons CO_2e in 2024). Scope 2 data is not available from other sites or operations. For Scope 1 and 3, data is not available.

ENVIRONMENTAL INFORMATION

E2 Pollution

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Pollution	• Negative impacts in terms of pollution of air, water and soil • Adverse health and environmental impacts from the use of chemicals • Opportunity to develop more environmentally sustainable products (more durable products and safer chemicals) • Risk of increasing regulatory obligations related to pollution	• Environmental, Safety and Quality Guideline • Code of Conduct • Supplier Code of Conduct • Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation	**Nokian Tyres is committed to continuously improving the quality, safety and environmental friendliness of its products, services, and processes.** Nokian Tyres commits to complying with laws and regulations, and to environmental responsibility, which includes but is not limited to preserving air and soil quality. Nokian Tyres is committed to creating healthy and safe working conditions for all individuals under the company's supervision. Responsible chemical management is also part of this work, including the pledge to reduce or phase out hazardous substances. Suppliers are expected, at the minimum, to comply with all the applicable environmental laws, regulations and environmental permits and licenses in the countries where they operate. Nokian Tyres is committed to preventing air, water, and soil contamination and expects its suppliers to do the same.

E2-1 Pollution-management policies

Nokian Tyres is committed to environmental responsibility in its own operations and in the value chain.

Nokian Tyres' Code of Conduct reflects the company's commitment to continuously enhancing its products, functions, and production facilities to minimize environmental impact. This includes preventing pollution of the air, water, and soil and addressing environmental effects throughout Nokian Tyres' supply chain.

The Environmental, Safety, and Quality Guideline underscores Nokian Tyres' pledge to continually improve the quality, safety, and environmental performance of its products, services, and processes, considering the entire product lifecycle. The company aims for efficiency, zero errors, and zero accidents across all operations to safeguard both employees and the environment.

Nokian Tyres prioritizes stakeholder interests when setting and updating policies. The Environmental, Safety, and Quality Guideline received minor updates in 2025, consisting of small additions and wording adjustments based on customer needs.

To uphold the guideline, Nokian Tyres commits to environmental responsibility, which includes not only adhering to laws and regulations but also preserving biodiversity and maintaining air and soil quality. Responsible chemical management is a key part of this commitment, with efforts to reduce or phase out hazardous substances. Moreover, Nokian Tyres has emergency plans in place to control and mitigate impacts on people and the environment during unexpected situations. The President and CEO is the most senior executive accountable for the implementation of both the Code of Conduct and the Environmental, Safety, and Quality Guideline.

The Supplier Code of Conduct extends these responsibilities across the value chain. Nokian Tyres expects its suppliers to minimize negative impacts on local and surrounding communities, adopt a precautionary approach to environmental challenges, and proactively prevent environmental incidents. Suppliers must comply with all relevant environmental laws, regulations, and permits in their operating countries. The Supplier Code of Conduct also emphasizes continuous improvement in environmental performance, including proper handling, storage, and disposal of chemicals to protect employees and the environment.

Nokian Tyres expects its suppliers to implement proper processes and technologies to protect water quantity and quality, prevent contamination from chemicals, and safeguard soil quality. Suppliers are required to prepare for and respond to emergencies such as fires, natural disasters, and chemical spills, with appropriate emergency plans, evacuation procedures, hazard detection equipment, training, and drills.

Nokian Tyres' Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation (former Sustainable Natural Rubber Policy) addresses pollution by committing to prevent air, water, and soil contamination. The guideline's framework aligns with that of the Global Platform for Sustainable Natural Rubber (GPSNR), an industry initiative focused on promoting sustainability in the natural rubber supply chain. The Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation was updated in 2025 to include more topics related to biodiversity, deforestation, and the EUDR.

The Senior Vice President of Operations in the Management Team is the most senior executive accountable for the implementation of the Supplier Code of Conduct and the Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation.

All listed policies and guidelines are available for the public on the Nokian Tyres corporate website **company.nokiantyres.com**.

Upholding international standards

Through the implementation of its Code of Conduct, Supplier Code of Conduct, and Environmental, Safety, and Quality Guideline, Nokian Tyres commits to the ten principles of the UN Global Compact.

Nokian Tyres' Environmental, Safety, and Quality Guideline states that Nokian Tyres' operations are based on and fulfill the requirements of the ISO 14001 standard.

E2-2 Safeguarding chemical and environmental safety

Nokian Tyres is committed to reducing pollution of air, water, and soil, which includes minimizing tire and road wear particles (TRWP).

Ensuring chemical and environmental safety across all operations is a key aspect of continuous sustainability efforts at the company. The R&D department focuses on developing more sustainable products, and for years this work has included also research into the substitution of the most hazardous chemicals.

Environmental representatives and local working groups are dedicated to enhancing daily sustainability practices. Environmental experts handle practical coordination and training at the factories, covering areas such as chemical safety, emissions control, and waste management.

Nokian Tyres documents the annual environmental impacts of its tire factories and reports them to local authorities, as required in each country. Feedback from, for example, affected communities and own workforce is recorded in the company's internal register, and corrective actions are taken

when necessary. Environmental experts at the factories are responsible for maintaining these records, ensuring feedback on environmental aspects is addressed and stakeholder concerns are considered.

Annual environmental programs

The primary document guiding environmental protection efforts at Nokian Tyres is the Integrated Management System Manual. In collaboration with environmental experts, the Senior Manager of Sustainability prepares an annual environmental program that sets targets for the entire company. In addition, the program includes specific targets for each tire factory with regard to pollutants, such as volatile organic compounds (VOCs). The program outlines detailed targets, actions, schedules, and assigned responsibilities to achieve the annual and strategic goals. In addition, individual units undertake their own projects to develop operations and processes further.

Managing dust, odor, and VOC emissions

Particle emissions result from processing powdery chemicals in the compound mixing department. The mixing equipment is equipped with effective ventilation and dust collection systems, and water cleaners achieve separation rates exceeding 99 percent. At the Finnish factory, particle emissions are measured using concentration and pressure gauges, and external experts conduct regular concentration measurements. At the tire factory in the US, air emissions are calculated from the amount of raw materials used.

Particle concentrations at the tire factories have consistently remained within permit limits. Dust that escapes the filter system primarily causes aesthetic inconvenience and poses no significant environmental or health risks. The amount of dust emissions was approximately 1.5 tons (1.5 tons in 2024) in the tire factory in Finland, 57.3 tons (58.5) in the tire factory in the US, and 23.5 kilograms in the tire factory in Romania. The low amount of dust emissions in Romania is due to the best available technology used at the new factory, removing dust efficiently.

Surveys commissioned by Nokian Tyres indicate that odor emissions are temporary. Droplet separators are used to reduce odors from mastication, and the number of separate mastication processes has been decreased to further minimize odors. The factories have also implemented new odor control equipment that represents the best available technology.

Solvents, or volatile organic compounds (VOCs), have represented the company's most significant air emissions at the tire factory in Finland. However, a 2022 spread modelling study estimated that VOC concentrations and their environmental effects are minimal.

Chemical operation supervisors' audits

The target is that each year, two audits are conducted by chemical specialists at each tire factory, focusing on the use and storage of chemicals in Nokian Tyres' factories. Chemical operation supervisors or other named expert visit the factory to inspect the storage and handling of chemicals. The inspection is used to verify compliance with legislation. For example, whether the labels on chemical packages are correct, storage locations are clean, leak control has been arranged, and practices on potentially explosive atmospheres are appropriately followed. A report is drawn up on the inspection and the production departments define corrective actions for the deficiencies found.

Continuous R&D efforts for safer and more sustainable raw materials

Product Development aims to create safer and more sustainable products. Nokian Tyres is committed to reducing the use of harmful substances to enhance occupational safety in production. The company was the first in the industry to eliminate highly aromatic oils.

No auxiliary chemicals are used in Nokian Tyres' factories without a department-specific usage permit issued by the company's chemical control team. This practice ensures the consistent use of chemicals throughout the company and prioritizes replacing harmful chemicals with safer alternatives. Several ongoing projects are focused on finding alternative raw materials to reduce harmful chemicals.

TRWP work and R&D

Tire and road wear particle (TRWP) generation and levels in the environment are influenced not only by tire design but also by external factors such as driving behavior, road and vehicle characteristics, and weather. Addressing the TRWP requires a holistic, science-based, and stakeholder-driven approach.

The United Nations Economic Commission for Europe (UNECE) is developing a test method to measure tire abrasion. Nokian Tyres, as a full member of the European Tyre and Rim Technical Organisation (ETRTO), is actively involved in global standardization efforts. ETRTO is contributing to UNECE's development of a tire abrasion test method with the goal of creating a test that is repeatable, reproducible, cost-effective, practical, and representative of real driving conditions. This method will be open to worldwide use and suitable for regulatory purposes.

In parallel with regulatory developments, Nokian Tyres is advancing inhouse testing capabilities to meet future requirements for durable and safe tires. Tyres Europe (formerly ETRMA) launched the multi-sectorial TRWP Platform in July 2018 to build scientific knowledge and develop practical solutions for reducing environmental particle levels. Nokian Tyres actively contributes to this initiative as a member of Tyres Europe.

Supplier requirements

Nokian Tyres mandates compliance from its suppliers through the Supplier Code of Conduct and the Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation. For more information on policy-related actions in the value chain, see E2-1.

Additionally, Nokian Tyres requires all chemical suppliers to provide safety data sheets (SDS) that comply with current legislation before chemicals are purchased. These SDSs are registered in a database that is accessible to all employees.

E2-3 Targets related to pollution

In addressing pollution, prioritizing safety means using chemicals responsibly and reducing tire and road wear particles, which are classified as microplastics.

Nokian Tyres has demonstrated industry leadership as the first tire company to eliminate harmful highly aromatic (HA) oils from its tire compounds and the first to fully adopt low PAH content oils in production. Polycyclic aromatic hydrocarbons (PAH) are a group of chemicals that form during the incomplete burning of organic substances. In tire manufacturing, PAHs can be found in certain oils used as plasticizers or softeners in rubber compounds.

Microplastics

While no specific target exists for microplastics, the EU aims to reduce microplastic releases by 30 percent by 2030. Euro 7, a new emission standard implemented in July 2025, sets additional limits for particulate emissions from brakes and tire wear, contributing to the European Green Deal's zero-pollution ambition. Nokian Tyres is closely monitoring regulatory developments related to microplastics and tire and road wear particles (TRWP).

Chemical use and control

Nokian Tyres aims to avoid the use of carcinogenic or toxic chemicals or Substances of Very High Concern (SVHC) as defined by the EU's REACH regulation in tire production. The target is voluntary but monitored monthly and when approving new chemicals to be taken into use. In 2025, Nokian Tyres' tires once again did not contain any carcinogenic or SVHC chemicals. The company also works to ensure that the tires sold in Vianor service centers are free from SVHC.

There is no specific target for other substances of concern. However, Nokian Tyres continuously works to improve the environmental sustainability of its products, and finding alternatives for chemicals is part of that work.

The control of chemicals ensures their safest possible use for employees, the environment, and end users. Nokian Tyres complies with European regulations – namely REACH and CLP – and local legislation. No auxiliary chemicals are used at Nokian Tyres factories without approval from the company's chemical control team, which issues usage permits for each department. This practice aims to standardize chemical use across the company and replace harmful chemicals with safer alternatives when possible.

Regarding chemicals, Nokian Tyres' mid- to long-term target is to ensure chemical and environmental safety across all operations. The ongoing target is to conduct two audits per year by chemical specialists at Nokian Tyres' tire factories, focusing on the use and storage of chemicals. In 2025, these audits were completed in the factories in Finland and Romania, but not in the US. Additionally, the company met its target to ensure chemical and environmental safety during the building phase of the factory in Romania during the year.

VOC and particle emissions from chemical use

Solvents, or volatile organic compounds (VOCs), are among Nokian Tyres' most significant air emissions. Since VOC regulations are country specific, the calculation and reporting of VOC emissions vary by location.

In Finland, VOC emissions are calculated according to the EU's VOC directive, and the calculation is based on the used solvents. Nokian Tyres' ongoing air pollution target at its Finnish tire factory is to fulfill the requirements of the environmental permit. The target is mandatory, as the emissions of volatile organic compounds from the exhaust gases after the incineration plant may not exceed 20 mg C / m^3 according to the Finnish factory's environmental permit, which was renewed in 2025. VOCs come from heavy tire assembly at the Finnish factory, and they are collected and processed at a catalytic incineration plant. However, capturing all solvent emissions from heavy tire production remains challenging because the sources cannot be completely sealed to ensure full collection and incineration. In 2025, the volume of VOC emissions was 1.5 mg C / m^3 (1.5 in 2024) after the incinerator in the tire factory in Finland. Thus, the VOC-related goal was achieved.

In the US, VOC emissions are calculated in accordance with local legislation and the State-issued minor source air permit. The calculation is based on established emissions factors and the quantity of raw materials processed. There is no specific facility-wide VOC limit; rather, limits are set for individual processes within the facility. Nokian Tyres targets to stay below the permit limits. In 2024, Nokian Tyres discovered that all VOCs were not accounted for in the established emissions factors and self-reported this error to the authorities. Recalculations showed that because of this error, the air permit limit had been exceeded since 2021, and in spring 2025, the company received a penalty of $5,700 for the violation. Nokian Tyres applied for an updated minor source air permit of the US factory and received it in the fall. In 2025, VOC emissions from the US factory were 37.5 tons, remaining under the permit limit.

In spring 2025, the Tennessee Department of Environment and Conservation's Division of Air Pollution Control conducted a routine regulatory inspection at the US factory. The inspection noted pressure differential readings on certain baghouses that were below permit thresholds and identified that tire bladder production levels had exceeded the limit specified in the facility's air permit. These items had been previously identified through internal compliance monitoring, and corrective actions were already implemented or in progress at the time of the inspection. The inspection resulted in a notice of violation and an associated civil penalty of $15,750. Following the inspection, the facility worked collaboratively with the regulatory agency, and the updated air permit reflects appropriate production limits and removed pressure differential monitoring requirements.

For particle emissions from the Finnish factory, the target is a maximum of 5 mg/m^3 after filters and droplet separators. At the US factory, the goal is that particle emissions are within the limits set by air permits. At the factory in Romania, the target is that particle emissions are within the environmental permit limits. All targets were achieved.

Water and soil emissions

Under normal operations, Nokian Tyres' production does not cause emissions to water or soil. However, emissions could occur during incidents, such as chemical spills, which could significantly impact the surrounding environment. Proactive measures are in place to prevent such accidents. In 2025, no such incidents occurred, and the ongoing goal is to prevent any accidental discharges from Nokian Tyres' factories into water or soil.

E2-4 Pollution of air, water and soil

Tire and road wear particles

The friction between tires and the road, essential for driver safety, causes the abrasion of both surfaces. This friction generates particles, a combination of tire tread fragments and road surface elements, commonly classified as microplastics due to their size and composition. While it is not possible to measure microplastics directly, tire and road wear particles (TRWP) are a significant concern.

TRWP levels in the environment are influenced not only by tire design but also by external factors, such as driving behavior, road conditions, vehicle characteristics, and weather. These combined factors often have a greater impact on TRWP generation than tire design alone. As a result, addressing TRWP requires a holistic, science-based, and stakeholder-driven approach.

Currently, it is not possible to report tire abrasion for new type-approved tires until 2028, as there is no valid and official method in place. However, measurement methods are under development at both the United Nations Economic Commission for Europe (UNECE) and ISO standardization levels. UNECE is a UN body that develops international regulations for vehicle safety and environmental standards, including those related to tire wear and emissions.

At the UNECE level, a new test method is being designed for type-approval of tires, likely using a unit of measurement expressed as mg / km/t, which indicates the amount of tire emissions (in milligrams) per kilometer, per tire, normalized by the mass of the vehicle. From this measurement, an index will be calculated for the reference tire in the test, serving as the basis for type-approval.

This upcoming regulation will apply to new type approvals for C1 (passenger car) tires in 2028, expanding to all C1 tires on the market by 2030. For C2 (van) tires, the timeline is 2030 and 2032, and for C3 (truck and bus) tires, it extends to 2032 and 2034. The same schedule applies to the Euro 7 approval for vehicle tires.

Chemicals

In 2025, the tire factories used 135,167 tons (116,687 tons in 2024) of raw materials and released approximately 58.9 tons (60 tons) of particle emissions, primarily composed of dust from used chemicals. The emissions are equivalent to about 0.04 percent (0.05) of the total raw materials used, making particle emissions minimal.

Company-wide VOC emissions from chemical use totaled 75.7 tons (75.3 tons in 2024).

HAPs (Hazardous Air Pollutants) from the factory in the US totaled 4.9 tons in 2025 (6.0 tons in 2024). Some of the HAPs may be on the Annex II of Regulation (EC) No 166/2006 list, but this has not been analyzed in detail.

E2-5 Substances of concern and substances of very high concern

Nokian Tyres does not use carcinogenic chemicals or Substances of Very High Concern (SVHC) as per the EU's REACH regulation as such in tire production. All Nokian Tyres' products also meet the EU REACH requirements concerning Polycyclic aromatic hydrocarbons (PAH). Nokian Tyres' products do not contain any conflict minerals.

Nokian Tyres uses chemicals that are classified as hazardous to the environment and chemicals classified as hazardous to both health and the environment. There was a human error in 2024 reporting, as the amounts of chemicals were reported under wrong hazard classes, and one column in the table also had a wrong header. During 2025, the calculation method has also been improved to be more precise, as Nokian Tyres' chemical experts confirmed that due to the chemical reactions that take place during the vulcanization of tires, 100 percent of certain substances of concern turn into other substances. Thus, all data from 2024 has been restated in the following table.

Substances of concern, main hazard classes

	2025		2024	
T	Environmental hazards	Health and environmental hazards	Environmental hazards	Health and environmental hazards
Total amount of substances of concern that are generated or used during production or that are procured	**2,179.0**	**136.0**	1,870.8	59.0
Total amount of substances of concern that leave facilities as emissions, as products, or as part of products or services	**2,179.0**	**58.0**	1,870.8	0.3
Leave facilities as air emissions	**7.6**	**0.5**	8.1	0.3
Leave facilities as part of products	**2,171.4**	**57.5**	1,862.7	0.0

ENVIRONMENTAL INFORMATION

E4 Biodiversity and ecosystems

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Biodiversity and ecosystems	• Negative biodiversity impacts in raw material sourcing • Risk of increasing regulation related to deforestation and other biodiversity related issues	• Environmental, Safety and Quality Guideline • Code of Conduct • Supplier Code of Conduct • Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation	**Nokian Tyres commits to complying with laws and regulations, and to environmental responsibility, which includes but is not limited to preserving biodiversity as well as air and soil quality and to causing no deforestation in our own operations.** Suppliers shall, at minimum, comply with all the applicable environmental laws, regulations and environmental permits and licenses in the countries in which they operate. Nokian Tyres is committed to and expects its suppliers to understand its impacts on biodiversity and, as relevant, act to safeguard biodiversity and surrounding ecosystems.

E4-1 Tire manufacturing is dependent on natural rubber

As a tire manufacturer, Nokian Tyres purchases significant amounts of natural rubber, which is one of the main ingredients in tires and thus an integral part of the company's business. Nokian Tyres material biodiversity impacts are indirect, as they occur in the beginning of the value chain. There are biodiversity risks caused by deforestation and land use change that mainly come from cultivation of natural rubber.

Nokian Tyres is generally well prepared to address sustainability-related material impacts, risks, and opportunities, including those related to biodiversity. The company is preparing for the EU Regulation on Deforestation-free Products. A separate assessment of the resilience of the current business model and strategy to biodiversity and ecosystems-related physical, transition and systemic risks has not been conducted. Local and indigenous knowledge and nature-based solutions have been incorporated into the EUDR framework.

SBM-3 Considering biodiversity-sensitive areas

The examination of natural diversity and the factors affecting it started at the Finnish tire factory site in 2016 and has since been extended to the factory in the US and Romania, the test tracks, and the Vianor service centers that are owned by Nokian Tyres. According to the assessments, Nokian Tyres' current operations have practically no direct effects on biodiversity. The assessments are updated as needed, for example if biodiversity conditions change in the operating sites.

However, the start of operations, such as construction of factories and other establishments in a certain area, has long-term effects on the area's original biodiversity. That is why the species, especially endangered or otherwise protected species living in the operating areas have been mapped.

Nokian Tyres has taken into account the requirements of the species living in the vicinity of the company's operating environments, and the aim is to develop the company's operations considering these requirements. Potential affected threatened species nearby the tire factory in Finland are the asp (Leuciscus aspius) and the freshwater pearl mussel (Margaritifera margaritifera). Near the factory in Romania there is a Natura 2000 site, protecting 10 species of the Nature Directives and one habitat type of the Habitats Directive. Among the protected species are amphibians, fishes, invertebrates, and a reptile.

During summer 2023, biodiversity risks in Nokian Tyres' supply chain were assessed using the WWF's biodiversity risk filter. According to the assessment, the biggest and the broadest biodiversity impacts in the raw material chain come from pollution, deforestation, and land use change. In Nokian Tyres' raw material chain, natural rubber cultivation impacts biodiversity the most, as the biodiversity risks caused by deforestation and land use change mainly come from the cultivation of natural rubber.

In the assessment, the most important supplier locations and industry sectors were prioritized based on how high their physical versus reputational risk scores were. 32 sites were considered most impactful on biodiversity. Of the 32 sites, 25 are natural rubber farmers and manufacturers, three metal cord manufacturers, two textile/belt manufacturers, one oil company, and one chemical manufacturer. Regarding biodiversity risks, the most important countries for Nokian Tyres are Indonesia, Thailand, and Ivory Coast. Other stakeholders were not involved in the assessment.

Nokian Tyres performs sustainability on-site audits at high sustainability risk suppliers' sites. During the audits it is evaluated, among other topics, whether the suppliers have performed biodiversity assessments in their own operations and in their supply chains. If any shortcomings are identified, Nokian Tyres requests mitigation actions from the suppliers.

E4-2 Policies that address the preservation of biodiversity

Nokian Tyres is committed to environmental responsibility in its own operations and in the value chain. Nokian Tyres' Code of Conduct reflects the company's commitment to continuously enhancing its products, functions, and production facilities to minimize environmental impact. This includes addressing environmental effects throughout Nokian Tyres' supply chain.

The Environmental, Safety, and Quality Guideline underscores Nokian Tyres' pledge to continually improve the quality, safety, and environmental sustainability of its products, services, and processes. Nokian Tyres is committed to preserving biodiversity as well as air and soil quality and to causing no deforestation in its own operations, and to setting targets to reduce environmental impacts. The Environmental, Safety, and Quality Guideline received minor updates in 2025, consisting of small additions and wording adjustments based on customer needs.

To uphold the guideline, Nokian Tyres commits to environmental responsibility, which includes not only adhering to laws and regulations but also preserving biodiversity and maintaining air and soil quality. The President and CEO is the most senior executive accountable for the implementation of both the Code of Conduct and the Environmental, Safety, and Quality Guideline.

The Supplier Code of Conduct extends these responsibilities across the value chain. Nokian Tyres expects its suppliers to minimize negative impacts on local and surrounding communities, adopt a precautionary approach to environmental challenges, and proactively prevent environmental incidents. Suppliers must comply with all relevant environmental laws, regulations, and permits in their operating countries. The Supplier Code also emphasizes continuous improvement in environmental performance, including understanding its impacts on biodiversity and, as relevant, act to safeguard biodiversity and surrounding ecosystems.

Nokian Tyres expects its suppliers to implement proper processes and technologies to protect water quantity and quality, prevent contamination from chemicals, and safeguard soil quality. Suppliers are required to prepare for and respond to emergencies such as fires, natural disasters, and chemical spills, with appropriate emergency plans, evacuation procedures, hazard detection equipment, training, and drills.

Protecting and improving biodiversity is an essential condition for sustainable economic and human development. Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation (former Sustainable Natural Rubber Policy) expects the suppliers to share the strive toward a natural rubber value chain that takes biodiversity and healthy and functioning ecosystems into account. The guideline's framework aligns with that of the Global Platform for Sustainable Natural Rubber (GPSNR), an industry initiative focused on promoting sustainability in the natural rubber supply chain. The Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation was updated in 2025 to include more topics related to biodiversity, deforestation, and the EUDR.

The Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation includes eight major components:

- Commitment to legal compliance
- Healthy functioning ecosystems
- Respecting human rights
- Community livelihoods
- Increased production efficiency
- Supply chain assessment and traceability
- Monitoring and reporting, and
- Driving effective implementation of all these components.

Senior Vice President of Operations in the Management Team is the most senior executive accountable for the implementation of the Supplier Code of Conduct and the Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation.

Together these policies cover the biodiversity and ecosystem protection at operational sites owned, leased, or managed, and sustainable land practices. They also address deforestation, but they do not address the social consequences of biodiversity and ecosystems-related impacts. All listed policies are available for the public on Nokian Tyres corporate website **company.nokiantyres.com**.

To reduce the environmental burden of sea transport in its supply chain, Nokian Tyres gave the Baltic Sea Action Group (BSAG) a Baltic Sea commitment for the years 2023–2026. The commitment is focused on cooperation in the BSAG's Ship Waste Action initiative. With the commitment, Nokian Tyres requires that the cargo ships under direct shipping company contracts discharge wastewaters in the reception facilities in Finnish ports. Nokian Tyres also advises the forwarding agents to follow the same principle when handling the company's cargo. Ship Waste Action is one of the criteria influencing the selection of freight carriers in freight tenders.

E4-3 Ensuring EUDR compliance to avoid deforestation and increase traceability

The EU regulation 2023/1115, also known as the "Deforestation regulation" or "EUDR", intends to stop deforestation linked to certain commodities that are imported to and produced or further processed in the EU. The products are cattle, coffee, cocoa, oil palm, soy, wood, and rubber, of which natural rubber is very relevant for Nokian Tyres as it is one of main ingredients of tires.

Among other things, the regulation, obliges manufacturers of tires such as Nokian Tyres to assure that tires shall not be placed or made available on the market, unless all the following conditions are fulfilled:

- they are deforestation-free;
- they have been produced in accordance with the relevant legislation of the country of production; and
- they are covered by a due diligence statement.

During the year, Nokian Tyres continued the work to ensure compliance with the EUDR regulation. The company communicated regularly with authorities, suppliers and customers and nominated an EUDR compliance officer. The regulation's application will start on December 30, 2026.

No biodiversity offsets were used in Nokian Tyres' action plans. Local and indigenous knowledge and nature-based solutions have been incorporated into the EUDR framework.

Researching guayule, the European source of natural rubber

Guayule-based natural rubber is one of the active initiatives that Nokian Tyres has been working on for several years, targeting to find an alternative for the natural rubber that the company uses. As guayule originates from the desert, it can survive in very dry and poor soil conditions. It is a plant that does not exploit areas of any other vegetation or food production; on the contrary, it makes use of wastelands. Currently Nokian Tyres participates in the MIDAS research project that is related to the topic.

E4-4 Targeting for compliant suppliers and a sustainable supply chain

Nokian Tyres mitigates and prevents negative impacts on biodiversity with the target that 100 percent of its natural rubber processor suppliers are either GPSNR members or signed Nokian Tyres sustainability commitment. This target serves as a mitigation and prevention measure for negative biodiversity impacts, because the GPSNR membership and signing Nokian Tyres sustainability commitment both mean that the natural rubber processor is committed to preserving biodiversity and operates in alignment with Nokian Tyres' policies. The target is not based on scientific evidence but instead focuses on confirming that suppliers follow the policies related to biodiversity impacts.

In 2025, the target was achieved as the company maintained the level of 100 percent of the natural rubber processor suppliers either being GPSNR members or having signed Nokian Tyres sustainability commitment.

The most important rubber producing countries for Nokian Tyres are Indonesia, Thailand, and Ivory Coast. As for impacts on nature, the primary step in Nokian Tyres' mitigation hierarchy is avoidance. No ecological thresholds were applied when setting the target, and Nokian Tyres did not use biodiversity offsets. Stakeholders were not directly involved in setting the target, but the GPSNR members comprise several different natural rubber stakeholders and thus their views are incorporated in the GPSNR alignment as well. Nokian Tyres has screened the EU's Biodiversity Strategy to inform its targets.

Nokian Tyres' sustainability audit model evaluates the suppliers' alignment with Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation. The follow-up audits are performed every third year at high sustainability risk suppliers' sites. The audit model tracks the effectiveness of the company's Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation.

Supply chain traceability remains a challenging topic in natural rubber supply chains globally. As Nokian Tyres does not own any plantations, the company needs to rely on its suppliers to trace the origins of the rubber. Thus, Nokian Tyres requires a commitment from the suppliers to do so. All sustainability critical raw material suppliers and manufacturing partners need to adhere to Nokian Tyres' Supplier Code of Conduct, which includes safeguarding biodiversity and surrounding ecosystems. Natural rubber suppliers additionally need to commit to Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation or be members of the GPSNR.

The EUDR regulation forces many natural rubber supply chain stakeholders to have traceability systems and traceability verification systems in place. Nokian Tyres has two factories in Europe that are affected by the EU Deforestation Regulation, and thus the company is obligated to know the origins of rubber that is imported into the EU and to ensure the no-deforestation status of the sourced rubber when the application of the regulation starts.

ENVIRONMENTAL INFORMATION

E5 Resource use and circular economy

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Resource inflows, including resource use	• Negative impacts through the use of virgin resources • Risk of increasing regulation on materials (e.g., traceability)	• Supplier Code of Conduct • Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation • Procurement Guideline • Environmental, Safety, and Quality Guideline	**Nokian Tyres is committed to increasing the share of renewable or recycled materials in its tires to 50 percent by 2030.** Nokian Tyres is gradually integrating renewable and recyclable raw materials into its products while implementing extensive product development and testing to ensure the optimal combination of properties for tire performance. The company is committed to legal compliance, community livelihoods, healthy, functioning ecosystems, and respect for human rights in natural rubber procurement and production, aligning with the Global Platform for Sustainable Natural Rubber (GPSNR).
Resource outflows related to products and services	• Negative impacts caused by improper management of end-of-life tires	• Environmental, Safety, and Quality Guideline • Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation • Procurement Guideline	**Nokian Tyres takes into account the products' entire life cycle and continues to promote the collection and utilization of end-of-life tires.** As one of the original founders of Finnish Tire Recycling Ltd and as a member the U.S. Tire Manufacturers Association Nokian Tyres is involved in their work of looking for new ways to recycle and utilize tires. All Nokian Tyres' products are recyclable.

E5-1 Driving responsible resource use and circular economy

Nokian Tyres' Environmental, Safety, and Quality Guideline states the company's promise to continuously improve the quality, safety and environmental sustainability of its products, services, and processes, considering the products' entire life cycle. To fulfill that promise, Nokian Tyres commits to environmental responsibility, which among other things includes consuming and managing resources sustainably and reducing waste. The company's President and CEO has approved the Environmental, Safety, and Quality Guideline and is accountable for its implementation.

Even though waste is not a material topic, waste management is part of circular economy. Effective waste utilization reduces the need for virgin raw materials. Although Nokian Tyres' policies do not explicitly mention the waste hierarchy, the company's production processes adhere to it, supported by comprehensive training materials and a detailed waste flow diagram. For example, operations at the factories are focused on increasing internal waste utilization.

Nokian Tyres is committed to increasing the share of renewable or recycled raw materials in its tires to 50 percent by 2030. Nokian Tyres' internal principles for environmental stewardship, safety, and quality – including chemical safety – are aligned with this target.

Furthermore, the company has introduced sustainability-related goal setting in the product lifecycle process, which covers work instructions for the new product development process.

Nokian Tyres is an active member of the U.S. Tire Manufacturers Association (USTMA), participating in several working groups focused on environmental protection, tire safety, chemical safety, and future legislation. Through the company's membership in Tyres Europe (formerly ETRMA), Nokian Tyres is involved in working groups that address similar themes.

As a member of the Global Platform for Sustainable Natural Rubber (GPSNR), Nokian Tyres is committed to legal compliance, community livelihoods, healthy, functioning ecosystems – including no deforestation – and respecting all human rights in natural rubber procurement and production. This is reflected in Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation (former Sustainable Natural Rubber Policy), which is aligned with the GPSNR's policy framework. The guideline was updated in 2025 to include more topics related to biodiversity, deforestation, and the EUDR.

In Nokian Tyres Management Team, the Senior Vice President, Operations is accountable for the implementation of the policy.

Nokian Tyres' tire materials and their alternatives

Material	% of a tire (approximately)	Sources	Replacements and alternatives
Synthethic rubber	23	Crude oil	• Polymers from renewable sources • Mass-balance approach • Recycled rubber crumbs
Natural rubber	22	Natural rubber	• Guayule as an alternative for natural rubber • Recycled rubber crumbs
Fillers	28	Silica, carbon black	• More extensive use of recycled carbon black is under investigation • Active research of different renewable fillers, for instance forest industry's side stream-based materials • More extensive use of renewable silica is under investigation
Reinforcement materials	15	Steel, textile	• Increasing the share of recycled steel in reinforcement materials is being researched • Researching the use of renewable or recycled sources for textiles
Chemicals	12	Several sources	• Increasing renewable or recycled oil and resin content in tires • Reduction and elimination of harmful chemicals and search of alternative options from either recycled or renewable resources

E5-2 Optimizing the use of raw materials

Nokian Tyres utilizes high-quality raw materials that enhance both the safety and performance of its tires. The technical quality and safety of each product is ensured through rigorous testing and analysis of every raw material used in manufacturing, along with continuous improvements to rubber compounds. Tires are made from approximately a hundred different raw materials, and sustainability is a key consideration in assessing their environmental impact. Recycled and renewable materials are particularly valued for their sustainability.

Introducing ISCC PLUS-certified raw materials

The factory in Finland obtained the International Sustainability and Carbon Certification (ISCC) PLUS in 2024 and the factory in Romania in 2025. The certification applies to the manufacturing of passenger car tires at these factories.

Through the certification, Nokian Tyres is able to utilize ISCC PLUS-certified raw materials in its tires, which is an important step in reaching the long-term target of increasing the share of renewable or recycled raw materials in tires to 50 percent by 2030. Additionally, the certification makes it possible to trace the use of certified raw materials from sustainable sources. Nokian Tyres introduced the ISCC PLUS-certified raw materials in spring 2025 when new flagship products were launched. Nokian Tyres Seasonproof 2 contains up to 38 percent recycled and renewable raw materials, of which 2 percent are ISCC PLUS mass balance approach certified from bio-based, bio-circular and/or circular feedstock.

Researching recycled or renewable alternatives and creating partnerships

Nokian Tyres already uses several raw materials either from recycled or renewable resources in its tires. The use of new raw materials requires a great deal of product development efforts and testing to find the best combination of properties for a tire, as new raw materials can modify the properties of compounds. All new alternative raw materials from recycled and renewable sources used in commercial products are purchased according to the Procurement Guideline, and suppliers fulfill the Supplier Code of Conduct requirements.

There are several research programs ongoing for each tire material category. New raw materials are primarily but not exclusively introduced through new product launches. The development of high-performance and sustainable tires requires active collaboration with raw material suppliers, research institutes, and other stakeholders.

One example of a recycled filler is rubber retrieved from used tires. Additionally, Nokian Tyres has extensively researched the use of recycled carbon black in tire production. While securing and researching various grades of recycled carbon black has been challenging, more raw material providers have entered the market. Nokian Tyres is actively pursuing multiple projects in this area.

In parallel, the company is exploring renewable alternatives to traditional fillers, such as silica derived from rice husk ash. This bio-based silica offers a sustainable substitute for conventional, fossil-based silica, with comparable performance characteristics in terms of tire properties. Utilizing rice husk silica not only reduces the environmental footprint of tire production but also supports circular economy principles by valorising agricultural waste. Nokian Tyres continues to evaluate the integration of renewable silica into its material portfolio, aiming to enhance sustainability without compromising safety or performance.

Nokian Tyres researches UPM BioMotion™ RFF to replace some fossil-based materials in tire production. This renewable material aims to further increase sustainability in the tire industry, while it lowers carbon emissions in tire manufacturing.

Nokian Tyres launched the FUTUREPROOF research, development and innovation program in March 2025. Together with the program ecosystem partners Nokian Tyres aims to confront the key challenges of future mobility through innovations related to digitalization, sustainability, and manufacturing. The program is funded by Business Finland. The program consists of four streams with the Sustainable Tire Lifecycle stream focusing on sustainable materials. This stream supports Nokian Tyres' target to increase the share of recycled and renewable materials in tires to 50 percent by 2030 with intensive R&D effort, ecosystem collaboration, and co-innovation projects exploring bio-based alternatives to fossil-based materials and circular economy solutions. By innovating new materials into tire design and production, FUTUREPROOF also supports Nokian Tyres' climate goals.

To support in-house research activities, Nokian Tyres currently participates in several other research projects. Among these is MIDAS, a Horizon Europe Innovation Action that develops innovative solutions to grow industrial crops on marginal agricultural land and build sustainable value chains for bio-based products. The company also participates in Bioboost co-innovation project, which is led by VTT, a research organization owned by the Finnish state, and funded by Business Finland. The project focuses on developing a technically and economically viable kraft lignin refining concept that enables the creation of new business opportunities.

Nokian Tyres' development agreement with the Swedish biomaterial science company Reselo AB seeks to further develop the renewable material Reselo Rubber as a potential new raw material for tires. Reselo Rubber is a completely renewable material made from birch bark sourced from the residue of the global pulp, paper, and plywood industry. Initial lab tests indicate that Reselo Rubber has strong potential to replace traditional fossil-based materials in tires.

Nokian Tyres continues actively searching for new collaboration opportunities for the coming years.

Tire retreading lowers tires' carbon footprint

Vianor's retreading units provide services for trucks, buses, and heavy machinery. Retreading tires offers fleet operators significant savings in costs, resources, and environmental impact, because a quality tire carcass can be retreaded two to four times, reducing tire costs by around 30 percent. This process also dramatically lowers the carbon footprint: producing a new truck tire generates approximately 220 kilograms of CO_2e emissions, while retreading produces only about 40 kilograms. Furthermore, each retread saves 40 kilograms of rubber and 70 liters of oil per tire, compared to manufacturing new ones.

Advancing tire recycling

Nokian Tyres actively supports tire recycling initiatives, especially in countries where the company has tire factories. In Finland, Nokian Tyres is a founding member of the Finnish Tyre Recycling initiative. In the US, Nokian Tyres is a member of the U.S. Tire Manufacturers Association (USTMA), promoting the centralized collection and efficient reuse of tires nationwide. In Romania, Nokian Tyres joined Eco Anvelope S.A. in the beginning of 2026.

In Europe, each country has a different tire recycling system. In some countries, manufacturers and importers are involved in the recycling organizations, but usually tire dealers are the counterpart for the recycling companies. Tire recycling in Finland has reached 100 percent, ensuring that a plentiful supply of raw materials is available for diverse recycled material applications. In mainland Europe, the recycling rate has been over 90 percent in recent years and in the US around 80 percent.

In 2025, Nokian Tyres achieved a 94 percent (92% in 2024) recycling rate for the passenger car tires it sold. Fortunately for the environment, discarded tires still retain value and can be utilized through reuse or recycling. In alignment with the EU's sustainable development goals, efforts are underway to increase the material recovery of used tires.

Managing waste

Nokian Tyres' tire production and the company's support functions generate waste. All production waste is weighed, and the department-specific volumes are recorded on a daily basis. For other types of waste, the volumes are monitored monthly.

All waste generated at the factories is sorted according to separate waste management instructions. Scrap tires, or tires that do not meet Nokian Tyres' high standards of quality, are taken to recycling. Non-vulcanized scrap rubber is generated in the production stages preceding vulcanization or curing. Nokian Tyres' production units have action plans to reduce the amount of non-vulcanised scrap rubber and scrap tire generation. As the amounts of production waste are monitored daily, the action plans are updated when needed.

Waste is sorted and delivered for reuse whenever technologically and economically feasible. The utilization rate of Nokian Tyres' production waste has been growing for years, and 2022 was the first year when 100 percent of the tire factories' production waste was utilized and thus there was no waste to landfill from tire production. The information on waste disposal methods and quantities is provided by the waste disposal contractors.

E5-3 Targeting to increase the share of recycled or renewable raw materials and maximize waste diversion

Nokian Tyres is committed to a voluntary target of increasing the share of renewable or recycled raw materials used in its tires to 50 percent by 2030. The company has systematically followed its roadmap toward these targets through monthly reporting. Key sustainability KPIs are reported to the Management Team.

By supporting a circular economy, the use of recycled materials not only conserves natural resources but also reduces the strain on landfills. Increasing the share of renewable or recycled raw materials further lessens the demand for primary raw materials in production.

To further support circular economy, Nokian Tyres aims to ensure that 100 percent of tire production waste continues to be utilized, with zero production waste sent to landfill. This means that as a voluntary target that exceeds legal requirements, the company strives to divert all tire production waste away from landfills either through prevention, reuse, recycling, or recovery. In 2025, the target was again achieved.

E5-4 Resource inflows

Respect for the environment is part of the company's product development philosophy.

In 2025, Nokian Tyres used a total of 158,979 tons (145,835 tons in 2024) of technical and biological materials. When reporting biological materials, Nokian Tyres refers to them as renewable materials.

Additionally, Nokian Tyres' target of increasing the share of renewable and recycled raw materials to 50 percent by 2030 focuses on external renewable or recycled feedstock, and not internal waste. In 2025, the share of recycled materials was 2.9 percent (0.8%) and the share of renewable raw materials was 25.4 percent (24.2%) in the company's own-produced tires.

Nokian Tyres uses direct measurements of the raw materials used in product manufacturing to accurately calculate data on resource inflows. Double counting is avoided by specified coding of each material. Furthermore, the company aims to pay increasing attention to environmental issues in the design of new products, starting from ethical raw material procurement and extending to a well-functioning recycling system.

E5-5 Closely monitoring resource outflows

Nokian Tyres closely monitors resource outflows in order to calculate precise data on the key products and materials resulting from its production processes. Monitoring includes actively tracking production volumes by factory, in addition to any waste resulting from manufacturing processes. As a result, all outflow data has been sourced from direct measurements from the production units. All Nokian Tyres products – tires and retreading materials, disc wheel rims, and steel structures – are recyclable.

There is no source for industry average values related to mileage and other factors related to expected durability of products. A test method for measuring tire abrasion is currently being developed at both the United Nations Economic Commission for Europe (UNECE) and ISO standardization levels (see topic "**Pollution**"). Because it is not possible to compare the expected durability of Nokian Tyres products to the industry average for each product group, such comparisons are not reported.

Repairability and remanufacturability of Nokian Tyres products

Punctures in tires' tread can be repaired under certain conditions, depending on damage location, its size, and the overall condition of the tire. However, tire safety must remain top priority, and it must be ensured after the repair. At the moment, a common rating system for assessing tire repairability does not exist.

Retreading tires is a common practice for heavy machinery, including bus and truck tires, helping to prolong the tire's service life while saving costs and the environment. In Nordic countries, the majority of truck and bus tires are retreaded after they have been worn in use. Therefore, tire retreading is an integral part of the whole tire management process and a smart way to give a new tread life to worn tires.

With carefully developed and optimized tire retreading processes and materials, bus and truck tires can be given a second, a third, or even a fourth lease on life. Retreaded tires are also a safe alternative for buying new tires, as the whole process is strictly controlled by regulations and standards. Therefore, a retreaded tire is comparable to a brand-new one.

In tire retreading, the tread of an old tire is removed, after which a new, safe tread is attached to the tire, which will again last for its next service life. The tire frame gives the tire its shape and makes it sturdy and suitably flexible. Tire retreading requires high-quality tire frames so that the tread of the old tire can be replaced with a new one.

High-quality tire frames can be retreaded several times during their use. By retreading the same tire several times, it can be driven up to a million kilometers.

SOCIAL INFORMATION

S1 Own workforce 97
S2 Workers in the value chain 110
S4 Consumers and end users 117

SOCIAL INFORMATION

S1 Own workforce

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Health, safety and well-being	• Positive impacts through improved employee health, well-being, and motivation • Adverse impacts on employee health, well-being and motivation • Adverse impacts on employee safety • Opportunity of an attractive employer brand through outstanding employee well-being and working environment	• Code of Conduct • Nokian Tyres' Safety Management Model • Environmental, Safety, and Quality Guideline	**Nokian Tyres' goal is to ensure a safe working environment and create working conditions that preserve physical and mental health and promote workplace well-being.** Occupational health, safety, and well-being are integral parts of the company's daily management. Everyone at Nokian Tyres is responsible for making sure employees and others affected by the company's work are safe. Nokian Tyres' activities emphasize the prevention of occupational accidents in order to avoid hazardous situations. All employees are entitled to family-related leave through social policy and/or collective bargaining agreements. Nokian Tyres' Code of Conduct gives guidance on matters that affect employee well-being, including equality, working conditions, participation, and terms of employment.

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Working conditions	• Positive impacts by offering secure work and fair working conditions	• Code of Conduct • Total Rewards Philosophy and Guideline	**Nokian Tyres respects the freedom of association and the freedom of workers to organize.** Active participation at different levels of the organization and respecting the right of participation is part of the company's working culture. The company complies with local legislation and regulations relating to working hours and overtime work. Contracts of employment are drawn up in writing and in adherence with the local legislation. Nokian Tyres will never pay anyone less than the minimum wage defined in the local legislation.
Training and equal opportunities	• Opportunity of a competitive advantage and improved innovation capabilities through competent workforce • Positive impacts from improved skills and career development of employees • Positive impacts from improved health, well-being and motivation, improved company culture and employer reputation through inclusivity and equality	• People Review • Code of Conduct • Total Rewards Philosophy and Guideline	**Employees own their development and career, while managers support them by providing resources and learning opportunities where possible.** Development planning, as part of the People Review process, can occur with goal-setting discussions or separately. The manager and employee review future competence needs, current strengths, and career aspirations. Together, they define development actions using the 70–20–10 model. Nokian Tyres respects human rights, treats all individuals equally, and values diversity. The company does not tolerate any form of discrimination, harassment, or bullying in the workplace. Everyone is responsible for acting fairly and fostering a positive, inspiring work environment. While every individual has the freedom of expression, they are also accountable for how they express themselves.

SBM-3 A committed team enables strategy execution

Nokian Tyres' goal is to be a globally attractive employer known for its sustainability, leadership, and international working community. At the end of 2025, the company employed a total of 3,959 (+3.9%) employees with different skills and backgrounds. These included employees on extended leaves of absence. Nokian Tyres' workforce is located primarily in Finland, the US, Romania, Norway, and Sweden.

Nokian Tyres manufactures tires in Nokia, Finland, Dayton, US, and Oradea, Romania. It also operates sales organizations in key markets across the Nordic countries, Central Europe, and North America. The execution of the company's strategy includes the commissioning of the new production facility in Romania. The recruitment of some 550 employees for the tire factory moved forward in 2025, and the ramp-up of the operations proceeded and tire deliveries started according to plan. At the end of 2025, the company employed a total of 527 employees in Romania.

During the last quarter of 2025, Nokian Tyres had personnel negotiations to improve its financial performance and operational efficiency. The negotiations involved white-collar employees in Group functions and in all Nokian Tyres business units in all countries as well as blue-collar and white-collar employees in passenger car and heavy tire production in Nokia, Finland. The negotiations lead to termination of 35 permanent white-collar positions in Finland. In addition, restructuring of tasks took place. The adjustment measures also include temporary layoffs of approximately 650 blue-collar and white-collar employees in passenger car and heavy tire production in Nokia, Finland for a maximum period of 90 days per person by the end of 2026. Negotiations or other necessary processes were carried out in other countries in accordance with local legislation.

Nokian Tyres' products are sold via tire stores, car dealerships, and Vianor, Nokian Tyres' tire and car service chain. There are two tire changing seasons in a year when the headcount increases temporarily by approximately 500–700 employees. During 2025, a total of 1,388 seasonal employees were employed in the Nordics at Vianor.

By the end of 2025, there were 306 (342 in 2024) non-employees, the majority of whom (249) were employed through private employment agencies in production roles at the Finnish tire factory. The term non-employees refers to individuals who are not direct employees of the organization but whose work is managed and overseen by the company.

People topics are integral to Nokian Tyres' strategy

People-related topics are integral to the planning and implementation of Nokian Tyres' strategy, reflecting a strong commitment to the workforce. For that reason, material impacts and opportunities are closely aligned with the company's strategy.

Nokian Tyres relies on the competence, motivation, and well-being of its employees to succeed. Global people processes are designed to support the company's strategic goals, with the Nokian Tyres Team serving as a central part of the strategy. This applies to all impacts, risks, and opportunities related to its own workforce.

Nokian Tyres' adverse impacts on employee health, well-being, motivation, and safety are not widespread or systemic. Instead, they are limited to individual cases, such as accidents. Factory operators and Vianor service center mechanics may be at greater risk of harm in these cases.

In contrast, the company's positive impacts – such as secure employment, fair working conditions, improved employee health and motivation, skills development, career growth, and a strong company culture – primarily benefit its own employees but may also positively affect non-employees.

Opportunities like building an attractive employer brand through exceptional employee well-being and a supportive working environment, as well as gaining a competitive edge and enhanced innovation through a highly skilled workforce, stem from these positive impacts.

These opportunities are generally tied to the company's own workforce. No specific groups of employees were found to be at heightened risk of harm in the double materiality assessment, and neither the impacts nor opportunities are related to any particular groups. Nokian Tyres has not identified any material impacts on workers arising from its transition plans aimed at reducing negative environmental impacts and achieving climate-neutral operations.

S1-1 Policies related to own workforce

Among Nokian Tyres' key sustainability initiatives are advancing the safety and well-being of employees and protecting human rights in the supply chain. In addition to honoring the ethical principles presented in Nokian Tyres Code of Conduct, the company is committed to acting in the manner required by the UN's Guiding Principles for Business and Human Rights, and to following the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. Nokian Tyres is a member of the UN's Global Compact initiative, and the company follows its ethical principles.

In 2023, Nokian Tyres carried out a human rights impact assessment covering the company's whole value chain, however the main focus was on its own personnel. The company also planned measures to minimize risks and impacts. Nokian Tyres

has also defined a human rights due diligence (HRDD) process. If any impacts are identified, they are measured and needed actions are taken. In 2025 the human rights impact assessment was updated.

In addition to respecting human rights, the organization commits to treating all individuals equally. The company's success is built on collaboration, inviting diverse perspectives, and achieving things together.

Nokian Tyres' Code of Conduct

Nokian Tyres' Code of Conduct requires all employees to adhere to the company's zero tolerance policy for forced labor, human trafficking, or child labor. Employment contracts are drawn up in writing and in adherence with the local legislation. The company complies with local legislation and regulations relating to working hours and overtime work. Furthermore, Nokian Tyres will never pay anyone less than the minimum wage defined in the local legislation.

If an employee discovers or suspects conduct that violates the company's business principles, they should report it through Nokian Tyres' whistleblowing channel. Alternatively, they may report it directly to the General Counsel, CFO, and/or Head of HR.

Every employee must adhere to the Code of Conduct, and Nokian Tyres' President and CEO is accountable for its implementation.

The company provides mandatory training on the Code of Conduct for all personnel, which is included in the induction of new employees. At the end of 2025, 80 percent of personnel had completed the training.

Nokian Tyres' principles are outlined in the Code of Conduct as follows:

EQUALITY

- We respect human rights, value diversity and treat all individuals equally and with respect.
- We do not tolerate harassment, bullying or discrimination on the basis of any characteristics such as race, ethnicity, color, sexual orientation, gender, gender identity, disability, age, religion, political opinion, union membership, national or social origin, etc.
- Everyone is responsible for acting fairly and creating a pleasant, inspiring work atmosphere. Everyone has the freedom of expression, but everyone is also responsible for their own expression.
- In our activities, we promote equal development and learning opportunities for our employees to strengthen their skills and advance their careers.

WORKING CONDITIONS

- Our goal is to ensure a safe working environment and create working conditions that preserve physical and mental health and promote workplace well-being.
- Occupational health, safety and well-being are integral part of our daily management.
- Everyone is responsible making sure that both our employees and other affected by our work are safe.
- In our activities, we emphasize the prevention of occupational accidents in order to avoid hazardous situations.

PARTICIPATION AND TERMS OF EMPLOYMENT

- Active participation at different levels of the organization and respecting the right of participation are parts of Nokian Tyres' working culture. The company respects the freedom of association and the freedom of workers to organize.
- We have zero tolerance for forced labor, human trafficking, or child labor. Employment contracts are drawn up in writing and in adherence with the local legislation. We comply with local legislation and regulations relating to working hours and overtime work. Nokian Tyres will never pay anyone less than the minimum wage defined in the local legislation.

Additionally, the company provides more detailed guidelines and procedures regarding safety, well-being, travel, induction, performance management, competence development, rewards, human rights, and equality.

Environmental, Safety, and Quality Guideline

Nokian Tyres' Environmental, Safety, and Quality Guideline states that the company is committed to creating healthy and safe working conditions. Every employee is responsible for identifying dangers in the working environment and minimizing risks. Supervisors are accountable for carrying out job related risk assessments in cooperation with team members. In this way, the company strives toward efficiency, zero errors, and zero accidents in all operating areas, to protect both the employees and the environment. The President and CEO is accountable for its implementation.

Nokian Tyres' Safety Management Model

Nokian Tyres' Safety Management Model serves as the major guideline for safety management and leadership. It specifies the company's safety management system, describes the company mindset, and sets the bar for common practices for safety work that all Nokian Tyres' employees, non-employees, and contractors must maintain. This global model has been implemented as part of local practices, procedures and everyday decision making. Nokian Tyres' Safety Management Model also provides tools across 16 areas of safety for continuous improvement for departments and operations.

Safety development work is run by utilizing the Safety Management Model, self-assessments, audits, safety talks, and operations' own development plans. The Safety Management Model emphasizes the importance of safety ownership on the department level.

Commitments to international standards

Nokian Tyres is 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.

The essential standards of the company include ISO 45001, the UN Global Compact, Nokian Tyres' policies and procedures related to safety, well-being, hiring, traveling, induction, people reviews and competence development, rewards, human rights, and equality.

Equal treatment and respect for human rights

Nokian Tyres respects human rights and treats all individuals equally. Advancing the safety and well-being of employees and protecting human rights in the supply chain are among the company's key sustainability initiatives. The company's principles in all operations are fair treatment and respect of human rights when collaborating with personnel or other stakeholders. This principle of equality and non-discrimination is an essential part of the Nokian Tyres' operations, and the management of diversity is based on the concept of equality and equal prerequisites for work.

Nokian Tyres' Total Rewards Philosophy and Guideline

Nokian Tyres' Total Rewards Philosophy and Guideline provides globally consistent guidelines designed to ensure fair and equal treatment of employees while allowing local adjustments to remain competitive and attract top talent. They are based on performance, position evaluation, consistent goal setting, and benchmarking of rewarding practices in relevant markets as well as applicable laws and collective agreements.

Training and skills development

Learning at Nokian Tyres is based on the following principles:

- Integrating learning with business targets, for example, with 'on-demand' learning
- Making full use of digital tools
- Offering modular learning solutions to pick up and choose needed learning content and method
- Opportunities to combine common and personalized learning paths
- Piloting new ways of learning together, such as learning circles and peer coaching
- Enabling learning that is independent of time and space, including mobile and on-the-go
- Moving away from traditional classroom training.

Nokian Tyres' people development philosophy is included in the company's People Review instruction. The development philosophy supports employees' development with internal job rotation, on-the-job learning, and various development solutions.

All relevant company policies are available for the personnel on the company's intranet. Key stakeholders, including Management Team members, have the opportunity to provide input on policy and guideline drafts. Additionally, open dialogue with leaders and employees ensures that all interests are considered in the policy development process. Nokian Tyres' eLearning management system supports the company in policy implementation.

S1-2 Engaging with own workforce and workers' representatives about impacts

Nokian Tyres employees contribute to the company's ongoing development with their skills and ideas, aligned with the organization's commitment to sustainable business practices.

To share information on financial performance, business development, safety, strategy, vision, values, and other key topics, Nokian Tyres hosts various employee events. During these events, employees are encouraged to voice their comments, questions, or concerns. Employee engagement at Nokian Tyres is assessed annually through the Drive! personnel engagement survey, which measures well-being, equality, inclusion, and overall engagement within the organization.

Drive! engagement survey results are reviewed within teams, and action plans are collaboratively developed. Training resources for managers on facilitating these discussions are available globally.

Multiple channels, such as Nokian Tyres' intranet, Microsoft Teams and Outlook, digital signage, and both virtual and in-person meetings, are used to ensure that employees stay well informed about relevant company developments. The channels also provide opportunities for feedback and engagement.

Additionally, Nokian Tyres' global safety reporting tool can be accessed by all own employees, rental workers, partners and contractors, and it enables them to participate in safety initiatives. The tool is used to evaluate work-related risks, report accidents, incidents, and safety observations, as well as to investigate and manage safety-related corrective actions. It also supports safety leadership through dashboards.

In the Nordic countries, local management and HR hold regular meetings with workers' representatives. The frequency of those meetings varies based on the country and legal

company. No formal employee representatives are enacted in Central Europe due to the small size of operations, with a low number of employees in each country, the setup of the regional operations, and local legislations. Nokian Tyres also works directly with its own workforce in North America.

Nokian Tyres' Senior Vice President of Human Resources has operational responsibility for ensuring that engagement takes place. The company also organizes regular annual and quarterly events, and more are organized on a needs basis to support further engagement.

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

S1-3 Processes to remediate negative impacts and channels to raise concerns

Nokian Tyres' business is guided by the ethical principles presented in its Code of Conduct. Nokian Tyres has processes in place to provide for or cooperate in the remediation of negative impacts on people in its own workforce, as well as channels available to its own workforce to raise concerns and have them addressed. Examples of these are one-on-one discussions and the company's healthcare system, which help to prevent and remediate negative impacts.

Mandatory training is provided to all personnel on the Code of Conduct. The training is included in the induction of new employees. The completion rate in 2025 was 80 percent.

The Code of Conduct is available on the corporate website **company.nokiantyres.com**. Policies protecting individuals who use channels to raise concerns or needs against retaliation are in place as part of Nokian Tyres' Code of Conduct.

If an employee discovers or suspects conduct that violates the company's business principles, including the Code of Conduct or Privacy Policy, they should report their concerns through Nokian Tyres' whistleblowing channel. Alternatively, they may report it directly to the General Counsel, CFO, and/or Head of HR. Every employee has direct access to the channel through the company website or intranet, and information about the channel is also available as part of Nokian Tyres' Code of Conduct and Whistleblowing Policy.

According to the internal communications survey in 2024, 74 percent of Nokian Tyres' employees feel that they can talk openly about the development of work or related concerns, as well as possible mistakes or failures.

Legal function coordinates the whistleblowing process and related investigations. All whistleblowers are protected against any form of retaliation. Anonymous reports are treated with the same level or importance as named reports. All material findings and general statistics are reported to the Audit Committee and the People and Sustainability Committee of the Board of Directors.

S1-4 Taking action on material impacts on own workforce

To address material impacts and seize opportunities related to its workforce, Nokian Tyres conducts various initiatives including training, audits, and an annual people process and engagement survey.

The management of material impacts on Nokian Tyres' workforce is led by the HR and safety functions, and all supervisors are responsible for managing the impacts and implementing actions that are relevant for their teams.

Nokian Tyres is committed to continuous development and supports employees in strengthening their competencies and excelling in their roles. Learning is encouraged through various projects and collaboration, with internal job rotation providing possibilities to work across different tasks and functions. In 2025, the 360 tool was further developed for leaders to get feedback on their leadership skills and development needs.

The company's employee development program emphasizes internal job rotation, on-the-job learning, and diverse development solutions. It follows the 70–20–10 principle: 70 percent of growth comes from on-the-job experience, 20 percent from learning from others, and 10 percent from formal training.

Digitalization offers access to online learning, including external resources such as webcasts, podcasts, and professional forums. Learning is increasingly mobile and flexible, independent of time and location. The company's eLearning platform further supports these advancements. In 2025, the platform was upgraded to serve users even more efficiently, for example by sending notifications about mandatory eLearning courses.

Fostering employee engagement and professional growth

In 2025, the company started to conduct regular global pulse surveys, and several townhall meetings were organized to increase dialog between employees and management. Nokian Tyres also continued Leadership Growth Track, a training program for managers. Leadership Growth Track aims to enable participants to develop their self-awareness and cultivate a growth mindset through shared learning sessions, individual development plans, and peer support. This is an example of an initiative which aims to prevent adverse impacts on employee motivation, but primarily delivers positive impact through improved motivation, skills, and career development opportunities.

Total Rewards Philosophy and Guideline emphasizes equity and fairness

Nokian Tyres' Total Rewards Philosophy and Guideline clarifies the principles behind total rewards and supports managers in making fair and consistent pay decisions. By fostering transparency, employees can better understand the company's rewards system, which helps to promote motivation and engagement. In 2025, the focus was on reward training during the last quarter, and it will continue during 2026 to enhance understanding across the organization, further contributing to equitable and fair working conditions for the whole organization.

Actively promoting occupational health and safety

Nokian Tyres is committed to actively promoting employee health and well-being, thus preventing any material negative impacts. For instance, the company continually refines its Safety Management Model procedures to avoid and mitigate any adverse impacts on employee safety. Additionally, through partner companies in the health care sector, Nokian Tyres provides comprehensive occupational health services to all employees. This enables the company to proactively prevent and mitigate risks, while providing remedies if issues arise.

All accidents and incidents must be reported in the common safety reporting tool. Every accident requires a thorough investigation to prevent similar incidents and enhance working environments.

It is the responsibility of the involved manager to report and investigate accidents. Major accidents are communicated internally across locations, production units, and functions. The causes and corrective actions are reviewed to identify common risks and share best practices.

Job-related risk assessments and safety actions are essential for understanding actual risks in the working environment. A careful analysis of these safety measures can proactively prevent future accidents.

Employees are encouraged to make safety observations and carry out safety actions with the goal of five safety actions per employee on average.

Nokian Tyres' occupational safety development work is guided by a safety roadmap, which defines the key development targets for the next few years. The roadmap covers the entire company, each location, and all functions. The aim is to develop safety culture, improve safety maturity, and increase the participation of personnel and stakeholders in the safety development work. The roadmap and the development projects specified in it are regularly monitored by the Management Team and other relevant groups and teams.

Further actions enhancing employee well-being

To enhance employee well-being, the company is focusing on developing leadership and continuously promotes a culture of equal opportunities. In 2025, caring was highlighted as a main theme for events, activities and communications as "We care" is one of the company's values and leadership principles. The aim was to strengthen the culture of caring at the individual level, in leadership, and in teams.

The company monitors the effectiveness of its initiatives through its annual employee survey. All employees with a company email address receive invitations to participate from Nokian Tyres' external partner. Those working in production or at Vianor can also respond via a QR code or a link available on the company intranet. All responses are anonymous and confidential, and teams then discuss the findings and agree on the actions they will commit to. In 2025, the survey included 19 questions, with two questions focusing on well-being, as well as one open-ended question.

Nokian Tyres also continued reviewing people processes and enhancing its eLearning platform and internal communications. The annual employee survey action planning process and active dialogue with employees and their representatives allow the company to identify necessary and appropriate actions to address actual or potential negative impacts on the workforce. Line managers monitor and respond to impacts on Nokian Tyres' employees through people processes, such as performance reviews and one-on-one discussions.

Nokian Tyres adheres to local laws regarding flexible hours, part-time options, and paid parental and family leave. A modern work environment equipped with digital tools enables teams to organize work flexibly and supports employee well-being. Teams have also collaborated to establish the best working practices.

S1-5 Targets related to material impacts, risks and opportunities

Nokian Tyres engages directly with its own workforce in sustainability target setting by involving employees and workforce representatives in active dialogue. Other channels for involving employees in target setting and monitoring progress include the Drive! Engagement Survey, Sustainability Steering Group, and Occupational Safety Committees in Finland and Romania. Nokian Tyres' management sets specific goals, monitors their implementation, and reserves sufficient resources to meet and maintain them.

Nokian Tyres pursues non-financial targets that are embedded throughout its core operations. Nokian Tyres informs employees about performance against the personnel-related sustainability targets by organizing yearly sustainability info sessions and quarterly employee info sessions. Performance is also handled in management and team meetings, sustainability steering groups, and other follow-up mechanisms based on projects to ensure information flow.

Nokian Tyres' own workforce and workforce representatives were engaged directly in setting safety-related targets, tracking performance against them, and identifying lessons or improvements as result of the company's performance through safety committees and the safety reporting tool. All employees have a role in safety development.

Targets related to Nokian Tyres' workforce

In 2025, Nokian Tyres had the following targets:

- Increase manager's competence on Nokian Tyres' rewarding guidelines and practices. Measured through training attendance, targeting for over 60 percent attendance of all managers in 2025. Result: 30 percent. Training will continue in 2026.
- Improve job rotation, such as percentage of transfers and promotions. Base was measured in 2025. Result: 16 percent. This will be followed as an internal KPI.
- Continuous improvement of the sentiment of equal opportunities, related to Drive! survey question "Regardless of background, everyone at our company has an equal opportunity to succeed, baseline 2021: 65. Result in 2025: 64.
- Decrease lost-time incident frequency (LTIF) from 8.3 (2018) to 1.5 by 2025. In 2025, the group-wide LTIF improved to 3.7 (4.6 in 2024) but the target was not achieved. After setting the target, there have been significant changes in operations, which affected the realization.

S1-6 Characteristics of the undertaking's employees

Employee figures in both the Sustainability Statement and the Financial Statements are based on the official headcount at the end of the reporting period on December 31, 2025. In Financial Statements the figures are shown in the note 8: Personnel expenses.

At the end of 2025, the company employed a total of 3,959 employees with 1,694 being white collars and 2,265 being blue collars. Among the blue collars, 86 percent were male, and 14 percent were female. Of the white collars, 73 percent were male, and 27 percent were female.

There are two tire changing seasons each year when the headcount increases temporarily by approximately 500–700 employees. During 2025, Nokian Tyres employed a total of 1,388 seasonal employees in the Nordics at Nokian Tyres' Vianor tire and car service chain.

The number of terminated employees includes employees who have left voluntarily or due to dismissal, retirement, or death in service during the reporting period. In calculating the turnover rate, the denominator used is the number of headcount at the end of the reporting period.

Employee headcount by gender

Number of employees (headcount) by gender	2025	2024
Male	**3,175**	3,080
Female	**784**	730
Other*	**0**	0
Not reported	**0**	0
Total Employees	**3,959**	3,810

*Gender as specified by the employees themselves where possible for persons to legally register themselves as having a third, often neutral, gender.

Employee headcount in countries where Nokian Tyres has at least 50 employees representing at least 10 percent of its total number of employees

Number of employees (headcount) by country	2025	2024
Finland	**1,716**	1,770
US	**567**	606
Romania	**527**	
Norway	**525**	526
Sweden	**418**	426

Employees by contract type, broken down by gender (headcount)

	2025					2024				
	Female	Male	Other	Not reported	Total	Female	Male	Other	Not reported	Total
Number of employees	**784**	**3,175**	**0**	**0**	**3,959**	730	3,080	0	0	3,810
Number of permanent employees	**760**	**3,040**	**0**	**0**	**3,800**	703	2,929	0	0	3,632
Number of temporary employees	**24**	**135**	**0**	**0**	**159**	27	151	0	0	178
Number of non-guaranteed hours employees	**1**	**22**	**0**	**0**	**23**	3	46	0	0	49
Number of full-time employees	**742**	**3,090**	**0**	**0**	**3,832**	693	2,998	0	0	3,691
Number of part-time employees	**42**	**85**	**0**	**0**	**127**	37	82	0	0	119

Employees by contract type, broken down by region (headcount)

	2025				2024			
	Nordics	Other Europe	North America	Total	Nordics	Other Europe	North America	Total
Number of employees	**2,659**	**721**	**579**	**3,959**	2,722	470	618	3,810
Number of permanent employees	**2,503**	**718**	**579**	**3,800**	2,548	466	618	3,632
Number of temporary employees	**156**	**3**	**0**	**159**	174	4	0	178
Number of non-guaranteed hours employees	**23**	**0**	**0**	**23**	49	0	0	49
Number of full-time employees	**2,543**	**710**	**579**	**3,832**	2,613	460	618	3,691
Number of part-time employees	**116**	**11**	**0**	**127**	109	10	0	119

Turnover

	2025				2024			
	Nordics	Other Europe	North America	Total	Nordics	Other Europe	North America	Total
Number of terminated employees	**227**	**178**	**177**	**582**	240	55	131	426
Turnover rate	**9**	**25**	**31**	**15**	9	12	21	11

Number of terminated employees includes employee who have left voluntarily or due to dismissal, retirement, or death in service during the reporting period. In calculating the turnover rate, the denominator used is the number of headcount at the end of the reporting period.

S1-7 Characteristics of non-employees in own workforce

Nokian Tyres refers to non-employees as workers who do not have a direct employment relationship with the company, but whose work is controlled and led by Nokian Tyres.

In 2025, there were 306 (342 in 2024) non-employees, most of them private employment agency workers (249), working in the Finnish factory production. Non-employee figures are reported in headcount at the end of the reporting period on December 31, 2025.

S1-8 Collective bargaining coverage and social dialogue

63 percent (67% in 2024) percent of Nokian Tyres' employees were covered by collective bargaining in 2025.

There are no agreements with employees for representation by a European Works Council (EWC), a Societas Europaea (SE) Works Council, or a Societas Cooperativa Europaea (SCE) Works Council in Central Europe due to the small size of operations, with a low number of employees in each country, the setup of the regional operations, and local legislations.

When there is no collective labor agreement, the company follows the employment regulations that are available. Nokian Tyres complies with the country-level legislation and regulation in each country.

S1-9 Diversity metrics

Nokian Tyres' top management consists of the President and CEO and the Management Team. The figures are based on the official headcount on December 31, 2025.

Collective bargaining coverage and social dialogue

	Collective Bargaining Coverage		Social dialogue
Coverage rate	**Employees – EEA (for countries with > 50 empl. representing > 10% total empl.)**	**Employees – Non-EEA (estimate for regions with > 50 empl. representing > 10% total empl.)**	**Workplace representation (EEA only) (for countries with > 50 empl. representing > 10% total empl.)**
0–19%	Romania	North America	
20–39%			
40–59%			
60–79%	Norway		
80–100%	Finland, Sweden		Finland, Sweden, Norway

Romania was added in 2025, as there are more than 50 employees representing > 10% of all employees. There haven't been any other changes compared to the data reported from 2024.

Gender distribution at top management level	**2025**	**2024**
Number of females	**2**	4
Number of males	**7**	5
Percentage of females	**22**	44
Percentage of males	**78**	56

Distribution of employees by age group	**2025**	**2024**
Number of under 30 years old	**732**	653
Number of 30–50 years old	**2,162**	2,137
Number of over 50 years old	**1,065**	1,020
Percentage of under 30 years old	**18**	17
Percentage of 30–50 years old	**55**	56
Percentage of over 50 years old	**27**	27

S1-10 Adequate wages

Nokian Tyres will never pay anyone less than the minimum wage defined in local legislation. Additionally, the company follows the local market practice as well as collective agreements when applicable.

S1-11 Social protection

All Nokian Tyres employees are covered by social protection through either public programs or company-provided benefits.

This coverage safeguards against income loss due to major life events such as sickness, unemployment, work-related injuries, acquired disabilities, parental leave, and retirement. Coverage begins as soon as employees start working for the company.

S1-13 Training and skills development metrics

People Review discussions are targeted to all employees, and they focus on managing performance and employees' personal development. The company's employee development program emphasizes internal job rotation, on-the-job learning, and diverse development solutions. It follows the 70–20–10 principle: 70 percent of growth comes from on-the-job experience, 20 percent from learning from others, and 10 percent from formal training.

Percentage of Nokian Tyres' employees that participated in the people review process

	2025	2024
Female	**94**	90
Male	**91**	87
Blue collar	**92**	82
White collar	**92**	91
Total	**92**	88

Average training hours per employee

	2025	2024
Female	**8.5**	8.1
Male	**7.1**	4.8
Blue collar	**6.1**	3.7
White collar	**9.1**	7.5
Under 30	**5.1**	3.2
30–50	**8.5**	6.4
Over 50	**6.6**	4.9
Total	**7.4**	5.4

S1-14 Health and safety metrics

The entire Nokian Tyres workforce, including non-employees, is covered by the company's Safety Management Model, which is based on legal requirements and recognized standards. The entire workforce can also utilize the safety reporting tool. The tire factories in Finland and in the US are certified according to the international ISO 45001 occupational health and safety standard. Safety management at Vianor follows the ISO 45001 standard but it is not externally certified.

Functions are audited according to an internal audit plan to ensure compliance with the Safety Management Model and other internal procedures.

In 2025, 647 days (450 in 2024) were lost to work-related injuries and fatalities due to work-related accidents, work-related ill health, and fatalities from ill health related to non-employees.

Lost-time incident frequency (LTIF) *

	2025	2024
Nokian Tyres Finland	**1.8**	1.0
Nokian Tyres US	**2.4**	2.5
Nokian Tyres Romania	**5.9**	3.9
Vianor	**5.7**	8.9
Nokian Tyres Group	**3.7**	4.6

*Number of lost-time incidents / 1,000,000 hours worked.

Total recordable injury frequency (TRIF)*

	2025	2024
Nokian Tyres Finland	**6.6**	8.0
- Own employees	**4.6**	7.5
- Non-employees	**16.6**	10.6
Nokian Tyres US	**12.9**	13.4
Nokian Tyres Romania	**8.2**	3.9
Vianor	**11.4**	15.4
Nokian Tyres Group	**9.2**	11.3

*Number of recordable injuries / 1,000,000 hours worked.

Number of recordable injuries

	2025	2024
Nokian Tyres Finland	**19**	23
- Own employees	**11**	18
- Non-employees	**8**	5
Nokian Tyres US	**16**	16
Nokian Tyres Romania	**7**	1
Vianor	**38**	52
Nokian Tyres Group	**80**	92

Occupational illness frequency (OIFR)*

	2025	2024
Nokian Tyres Group	**1**	0.8

*Work-related ill health cases / 1,000,000 hours worked.

Number of cases of recordable work-related ill health of employees

	2025	2024
Nokian Tyres Group	**8**	6*

*Due to a human error, the number of cases of recordable work-related ill health of employees was reported to be 17 in the Sustainability Statement 2024. The correct number of cases was 6.

Number of fatalities as a result of work-related injuries and work-related ill health

	2025	2024
Nokian Tyres Group	**0**	0
Subcontractors working on Nokian Tyres' sites	**0**	0

Number of days lost to work-related injuries and work-related ill health

	2025	2024
Nokian Tyres Group	**647**	450

S1-15 Work-life balance

All employees are entitled to family-related leave through social policy and/or collective bargaining agreements.

S1-16 Pay gap and total remuneration

Nokian Tyres' Total Rewards Philosophy and Guideline forms a consistent framework for retaining, recognizing, and rewarding employees. The guideline's principles have been defined to support the company's goal of cultivating an engaged and high-performing organization and to help ensure fair and equal treatment of employees across the organization.

Rewards offer competitive packages, including both monetary and non-monetary elements, to support performance, motivation, and commitment. The monetary elements include a base salary, benefits, and different types of incentives.

At Nokian Tyres, base salary setting follows collective agreements as well as local market practices based on defined job architecture. All employees belong in the short-term incentive program.

Nokian Tyres' reward structure is monitored regularly to ensure it supports future performance and employee engagement. All reported data is sourced from the global HR system and is calculated in euros for consistency across all employees.

Incentive plans track performance

Nokian Tyres utilizes several incentive plans to measure both short- and long-term performance. Two share plans align the long-term goals of shareholders with those of key personnel, enhancing company value and committing key personnel to the company's strategic objectives.

The current performance criteria in the company's main long-term incentive plan, the Nokian Tyres Performance Share Plan, are average earnings per share (EPS), average return on capital employed (ROCE%), and reduction of Scope 1 and 2 CO_2e emissions intensity. The CO_2e target carries 10 percent weight of the total of 100 percent target setting within long-term incentives.

Nokian Tyres' Restricted Share Plan serves as a complementary long-term incentive tool, used for the retention of Nokian Tyres President and CEO, the Management Team, and other selected key employees. Both plans were resumed in 2025, with the Performance Share Plan adjusted to a two-year performance period plus a one-year retention phase.

Short-term incentives, available to all employees, are designed to drive strategy and company performance and reward achievement at various levels, such as Group, business unit, or team.

Remuneration metrics

	2025	2024
Gender pay gap[1]	**6.2**	0.6
Total remuneration ratio[2]	**26.6**	25.2

[1] Gender pay gap is defined as the difference of average gross hourly pay levels between female and male employees, expressed as percentage of the average pay level of male employees.
[2] Total remuneration ratio is defined as annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual). Calculation includes compensation elements stored in Nokian Tyres Global HR system: employees' base salary, main allowances and bonuses on target opportunity level (defined in bonus programs or as actually paid on median level). Ratio is impacted by the high volume of blue-collar workers in the workforce.

S1-17 Incidents, complaints and severe human rights impacts

During 2025, no work-related incidents of discrimination were confirmed to have occurred on the grounds of gender, racial or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination involving internal and/or external stakeholders across operations (0 in 2024). This includes incidents of harassment as a specific form of discrimination. Zero (0) complaints concerning misconduct referred to above were reported to the whistleblowing channel.

In addition, no severe human rights issues and incidents connected to own workforce were reported during the year, and there were zero cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises (0).

There were no fines, penalties, and compensation for damages as result of such incidents during 2025 or 2024.

SOCIAL INFORMATION

S2 Workers in the value chain

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
• **Working conditions** • **Equal treatment and opportunities for all** • **Other work-related rights**	• Adverse human rights impacts related to working conditions and equality in the supply chain and outsourced operations	• Procurement Guideline • Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation • Supplier Code of Conduct	Nokian Tyres is committed and further expects its suppliers, for example, to: • Actively prevent child labor • Provide its employees at least with the minimum wage as required by local laws • Provide its employees with a safe working environment • Respect the rights of migrant and foreign workers and promote ethical recruitment practice and take reasonable steps to ensure that recruitment fees and other associated costs are not born by employees • Provide decent living conditions (e.g., adequate housing, access to drinking water and the right to food and food security) for employees working and living on site, and to support the same for local communities • Ensure that labor rights related safeguards apply to all employees, with no distinction being made on discriminatory grounds or employment status.

SBM-3 Driving sustainable business in the supply chain

Nokian Tyres is a premium tire manufacturer with a sustainable way of conducting business integrated into its strategy. As a tire manufacturer, Nokian Tyres purchases significant amounts of natural rubber. It is one of the main ingredients in tires and also the livelihood of hundreds of thousands of families living in countries where the local legislation and working conditions have not been fully developed. Thus, the material negative impacts mainly concern people working with natural rubber in the company's upstream value chain. Promoting and ensuring decent working conditions is an essential aspect of sustainable and responsible development.

The smallholders, dealers, and processors are not employed by Nokian Tyres but work in the complex and fragmented natural rubber supply chain. Natural rubber is mainly grown in countries where sustainability risks are higher compared to, for example, European countries. The world's leading producers of natural rubber are Thailand, Indonesia, Vietnam, and Ivory Coast. In Malaysia, migrant workers have been identified as a particularly vulnerable group. Over the years, a common issue identified during the audits has been the language and content of the employment contracts, but also other non-conformities have been observed.

One of Nokian Tyres' non-financial targets is to develop the sustainability of the supply chain, with the aim of having 100 percent of sustainability high-risk suppliers audited. To gain understanding of the workers who are or could be materially affected, Nokian Tyres conducts sustainability audits, during which value chain workers are interviewed. Nokian Tyres is also a member of the Global Platform for Sustainable Natural Rubber (GPSNR), a platform in which different natural rubber stakeholders participate and where the views of value chain workers are presented as well.

Additionally, audits have been conducted at Nokian Tyres' manufacturing partners located at areas where there can be sustainability-related risks. These audits addressed topics like child labor and forced labor, and such issues have not been identified.

Nokian Tyres is committed to conducting its business operations in a manner that respects all internationally recognized human rights. As a participant in the UN Global Compact initiative, Nokian Tyres follows the UNGC's ethical principles as well as its own. The company requires that all the suppliers that it has identified to be sustainability critical adhere to Nokian Tyres Supplier Code of Conduct. The backgrounds of all new suppliers are checked according to Nokian Tyres' Due Diligence process before supplier approval, and Nokian Tyres assesses the possible risks associated with the suppliers.

S2-1 Policies and processes that guide sustainable procurement

The Group's Procurement Guideline establishes the general principles of sustainable procurement and guides Nokian Tyres' Procurement function's work. As a participant in the UN Global Compact initiative, Nokian Tyres follows the UNGC's ethical principles as well as its own. The company requires that all the suppliers that it has identified to be sustainability critical adhere to Nokian Tyres Supplier Code of Conduct that is publicly available on the corporate website **company.nokiantyres.com**. The company also has a Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation. In Nokian Tyres Management Team, the Senior Vice President, Operations is accountable for the implementation of these supply chain-related policies.

The Supplier Code of Conduct expects the suppliers to commit to respecting human rights, including labor rights, and prohibits discrimination and the use of child labor or forced labor, among other things. Suppliers must not participate in, or benefit from, any form of modern slavery.

Nokian Tyres is committed to conducting its business operations in a manner that respects all internationally recognized human rights, understood as, at a minimum, those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Nokian Tyres expects the same commitment from its suppliers.

Nokian Tyres expects its suppliers to share the strive toward a more socially sustainable supply chain, where decent working conditions are promoted. Nokian Tyres is committed and further expects its suppliers, for example, to:

- Actively prevent child labor
- Provide employees at least with the minimum wage as required by local laws
- Provide employees with a safe working environment
- Respect the rights of migrant and foreign workers and promote ethical recruitment practice and take reasonable steps to ensure that recruitment fees and other associated costs are not born by employees
- Provide decent living conditions (e.g., adequate housing, access to drinking water, and the right to food and food security) for employees working and living on site, and support the same for local communities
- Ensure that labor rights-related safeguards apply to all employees, with no distinction being made on discriminatory grounds or employment status.

To detect actual material negative impacts and provide remedy, Nokian Tyres conducts audits and is further committed to maintaining a group-level grievance mechanism (in line with UN Guiding Principles effectiveness criteria) that is appropriate for receiving complaints and to providing an opportunity to enable remedy for adverse human rights impacts caused through production or sourcing/procurement. The company expects the same from its suppliers.

Over the years, a common issue identified during the audits has been the language and content of the employment contracts. In several cases, the records of working hours, rest times and holidays have been missing or were only partial. In some audits it has also been identified that rest times and holidays are not always granted in accordance with the local law. In some countries, the recruitment of foreign workers has been identified as a problematic topic. The findings are further discussed under **S2-4**.

Assessing suppliers to detect and minimize risks

Nokian Tyres' supply chain consists of over 3,700 suppliers, including more than 200 raw material suppliers. Most of the supply chain suppliers are located around the factory areas, and raw material suppliers as well as manufacturing partners are located globally.

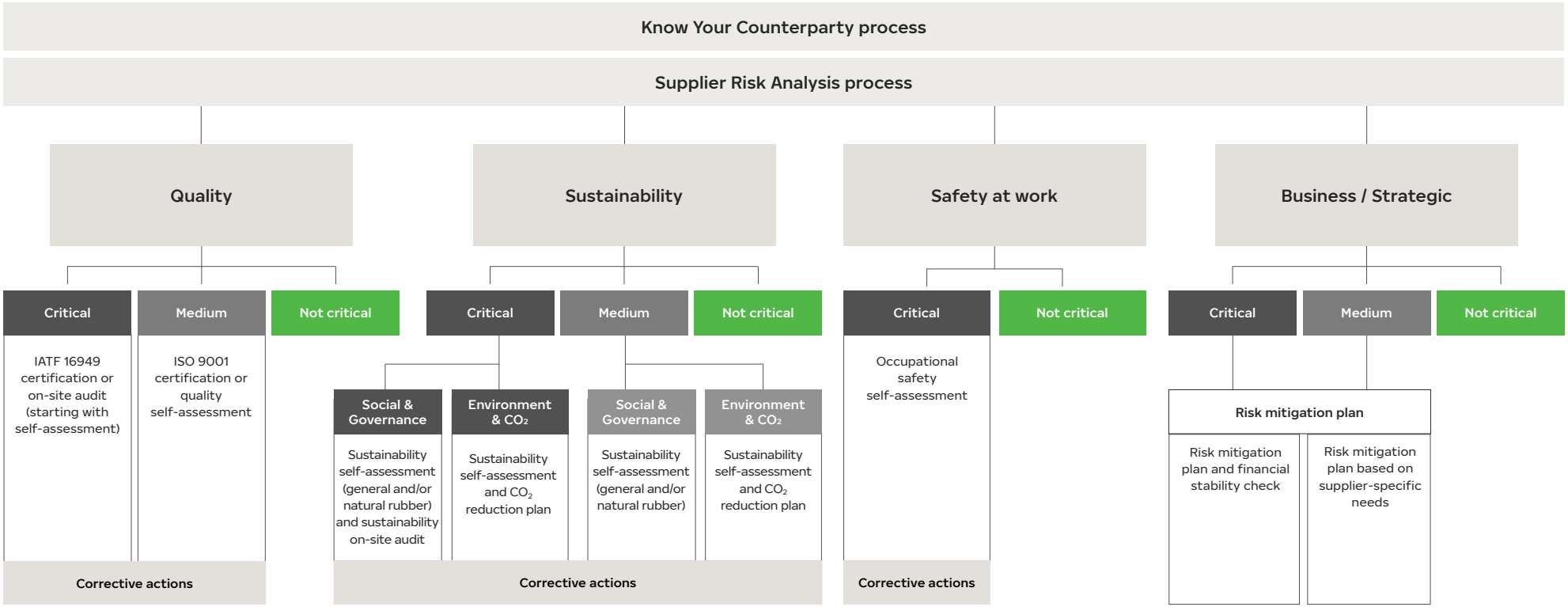
The backgrounds of all new suppliers are checked according to Nokian Tyres' Due Diligence process before supplier approval. Nokian Tyres assesses the possible risks associated with the suppliers according to the model presented on the next page. The assessment model has four different categories: quality, sustainability (environmental, social and governance), business/strategic criticality, and safety at work.

Actions are taken with all new suppliers that are classified as critical or medium critical in any of the four categories of the classification model. The actions include, for example, sustainability on-site audits, desk assessments and requests for management system certification in terms of quality, environment, or safety. Potential risks identified through desk assessments are further confirmed and verified through on-site audits.

ADDITIONAL, NON-MATERIAL INFORMATION

In Norway, the Transparency Act (Åpenhetsloven) requires enterprises that meet certain requirements and operate in Norway to conduct due diligence assessments. The aim is to ensure that human rights and working conditions are respected and followed throughout the value chain. This means that companies must examine their own business, their supply chain, and their business partners to find out where the biggest risks are. Nokian Tyres has a sales company and a Vianor tire chain company in Norway, and the accounts required by the Transparency Act can be accessed on the company websites at **www.nokiantyres.no/fakta-om-bedriften/apenhetsloven** and **vianor.no/bedriftskunder/apenhetsloven**, respectively. (Norwegian Transparency Act 2021, Section 5 Duty to account for due diligence)

Supplier risk management process



Critical Medium No additional actions needed

ADDITIONAL, NON-MATERIAL INFORMATION

Supplier Screening	2025	Percentage
1.1 Total number of unique suppliers	3,868	
1.2 Number of unique significant suppliers	47	
1.3 Number of unique significant suppliers supported with development measures (as a subset of 1.2)	12	% of suppliers supported in development measures: 0.3
1.4 Number of unique significant suppliers assessed via desk assessments/on-site assessments (as a subset of 1.2)	13	% of unique significant suppliers assessed: 27.7
1.5 Number of unique significant suppliers assessed with substantial actual/potential negative impacts (as a subset of 1.4)	13	
1.6 Number of unique significant suppliers with substantial actual/potential negative impacts with agreed corrective action/ improvement plan (as a subset of 1.5)	6	% of suppliers with substantial actual/ potential negative impacts with agreed corrective action/improvement plan: 46.2
1.7 Number of unique significant suppliers with substantial actual/ potential negative impacts that were terminated (as a subset of 1.5)	0	

The table includes both tier 1 and non-tier1 suppliers. Tier 1 suppliers directly supply goods, materials or services to Nokian Tyres. Non-tier 1 suppliers provide their products and services to the company through tier 1 suppliers.

Significant suppliers are suppliers identified as having substantial risks of negative ESG impacts or significant business relevance to the company or a combination of both.

(S&P Global CSA: Supply Chain Management)

Preventing and mitigating risks related to natural rubber

Nokian Tyres' sustainability risk evaluation model considers the country-, sector- and commodity-specific risks. As a tire manufacturer, Nokian Tyres purchases significant amounts of natural rubber. The sustainability aspects of natural rubber are related to countries of origin, biodiversity, and complex and fragmented supply chains.

Natural rubber is mainly grown in countries where sustainability risks are higher compared to, for example, European countries.

The world's leading producers of natural rubber are Thailand, Indonesia, Vietnam, and Ivory Coast. There are also country-specific overall sustainability risks, such as the high number of migrant workers in Malaysia.

As a sector, natural rubber has historically contributed to deforestation and biodiversity loss due to converting natural forests into natural rubber farms. Therefore, it is considered a high sustainability risk sector.

In addition, natural rubber as a commodity includes complex and fragmented supply chains with multiple layers of smallholders, dealers, processing plants and traders. More than 85 percent of the world's natural rubber is produced on farms smaller than two hectares in size, with daily output typically amounting to only a couple of kilograms of latex. There are approximately three to six million farmers of natural rubber who collect the milky latex or cup lumps and sell it to local dealers. The local dealers collect latex from several farmers and sell it to processing plants. This practice can disrupt the traceability chain: for example, the processing facilities may not be aware of the origins of the rubber they purchase. In such cases, there is no direct contact between the processor and the farmer, and a tire manufacturer's visibility to the livelihood of the farmer is very limited or non-existent.

On the other hand, approximately 73 percent of the world's natural rubber is consumed in tire production, which means that Nokian Tyres and the whole tire industry have a positive impact in creating and ensuring jobs in the natural rubber processing countries. As a member of the Global Platform for Sustainable Natural Rubber (GPSNR), Nokian Tyres is committed to a shared responsibility in improving the social, environmental, and economic sustainability of the global natural rubber value chain.

In 2021, Nokian Tyres adopted a Sustainable Natural Rubber Policy, fully aligned with the policy framework of the GPSNR. In 2025, the policy was updated to include more topics related to biodiversity, deforestation, and the EUDR, and its name was changed to Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation.

The Senior Vice President of Operations in the Management Team is the most senior executive accountable for the implementation of the Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation.

The company's sustainability in natural rubber is developed through the framework of this guideline. The guideline is publicly available on the Nokian Tyres corporate website **company.nokiantyres.com**, and it includes eight major components:

- Commitment to legal compliance
- Healthy functioning ecosystems
- Respecting human rights
- Community livelihoods
- Increased production efficiency
- Supply chain assessment and traceability
- Monitoring and reporting, and
- Driving effective implementation of all these components.

In 2025, 100 percent of Nokian Tyres' approved natural rubber processors were either members of the GPSNR or committed to developing their operations according to Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation.

Nokian Tyres participates in the Shared Investment Mechanism (SIM) by Global Platform for Sustainable Natural Rubber (GPSNR). The SIM is designed to pool member contributions to fund projects that improve the economic, social, and environmental sustainability of natural rubber production. GPSNR manufacturers will contribute annually to a collective fund, which will be used for driving change and supporting various initiatives. For example, funds from the SIM are channeled to provide training, guidance, and infrastructure development for smallholder farmers to ensure that they adopt sustainable farming practices, enhancing productivity and environmental stewardship.

S2-2 Hearing the value chain workers' views

During the on-site audits conducted by Nokian Tyres, a certain percentage of employees at different levels of the workforce are confidentially interviewed to gather the views of the value chain workers and to gain insight into the perspectives of workers who may be particularly vulnerable to impacts. Follow-up audits are performed every three years, which includes assessing the effectiveness of the engagement. The Sustainability Manager from the sustainability department and the Category Manager from Procurement function are responsible for coordinating the audits and ensuring that the engagement happens.

In addition, the collaboration enabled by the GPSNR provides an opportunity to hear the perspectives of value chain workers.

S2-3 Channels for raising concerns confidentially and seeking remediation

The interviews conducted during audits provide an opportunity for value chain workers to bring any issues to Nokian Tyres' attention. Additionally, in case value chain workers have concerns or suspect infringements, they have the possibility to contact Nokian Tyres through the company's whistleblowing channel.

The purpose of Nokian Tyres' whistleblowing process is to ensure that the company's governance systems operate at a high-quality level and that the various stakeholders trust Nokian Tyres. The purpose also is to encourage interest groups to report any activities that infringe upon the legislation, the Code of Conduct, or other provided guidelines.

All whistleblowers are protected against any form of retaliation. Anonymous reports are treated with the same level of importance as named reports. The topic "**Business conduct**" contains detailed information about the whistleblowing channel and the related processes.

However, as the natural rubber supply chain is fragmented, all value chain workers do not know which company will eventually utilize the commodities they produce. To provide redress and remedy to any party that has suffered negative impacts from the actions of the GPSNR members, the GPSNR Grievance Mechanism (**sustainablenaturalrubber.org/grievance-procedure/**) offers an opportunity for stakeholders to express concerns that they have about a GPSNR member or the GPSNR Secretariat and find optimal ways to resolve disputes. Grievances can be submitted by email to **info@gpsnr.org** or through an online form. If any cases linked to Nokian Tyres are reported through the channel and considered valid by the GPSNR Compliance Panel, Nokian Tyres will receive a corrective action request. No requests were received in 2025.

Assessing the effectiveness of the channels and value chain workers' awareness of the channels is challenging due to the fragmented natural rubber supply chain.

S2-4 Audits help identify the topics to be improved

Nokian Tyres started a partnership with an external auditor in 2016 to improve sustainability in its natural rubber value chain. The natural rubber sustainability auditing process has been developed together with a consulting company, and it is based on Nokian Tyres Supplier Code of Conduct and principles that comply with the UN Global Compact goals. In 2022, the audit model was updated so that it also evaluates the suppliers' alignment with Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation (formerly Nokian Tyres Sustainable Natural Rubber Policy).

Nokian Tyres exclusively purchases rubber processed in the plants that the company has approved. In 2025, Nokian Tyres conducted five sustainability audits of natural rubber processing plant suppliers. Nokian Tyres has conducted sustainability audits for 100 percent of its sustainability critical-

rated suppliers on a three-year cycle. The target is to maintain this level, which drives the minimum level of sustainability audits to be conducted annually. In addition, sustainability audits can be arranged at suppliers' site for other reasons, such as when Nokian Tyres begins to source from a sustainability-critical country for the first time.

After the audit, the full report is shared with the supplier to show their shortcomings and to highlight the positive findings. This gives valuable information for the supplier about how they can improve their operations.

Over the years, a common issue identified during the audits has been the language and content of the employment contracts. The contract is not necessarily available in the employees' mother tongue, or the translated content differs from the original. In several cases, the records of working hours, rest times and holidays were missing or incomplete. In some audits it has also been identified that rest times and holidays are not always granted in accordance with the local law.

In some countries, the recruitment of foreign workers has been a problematic topic. Foreign workers are recruited through a recruitment agency network, and the amount of recruitment costs to the employee can be as much as a year's salary. As the agencies are often approved by local governments, it is difficult to improve the process. However, Nokian Tyres requires its suppliers to improve also on this issue. The suppliers have requested support from the local officials, but the progress is slow.

Nokian Tyres did not identify severe labor rights issues during 2025.

All Nokian Tyres' relevant manufacturing partners have also been audited by a respected third-party auditing agency, partly supplemented by Nokian Tyres' own on-site audits. The audits have included quality audits based on ISO 9001, environmental audits based on ISO 14001, and social responsibility audits based on SA 8000 standard requirements. Only minor remarks on sustainability matters have been noted during the audits of manufacturing partners.

Monitoring progress

Nokian Tyres requires the suppliers to provide corrective action plans to improve on the shortcomings. Nokian Tyres' Sustainability department follows up on the updated corrective action plans and monitors progress on their implementation. Many suppliers have, for example, introduced employment contracts in several different language versions. This shows that processes can be improved when an external party reviews them and indicates the need for improvement. If the supplier does not provide the corrective action plan or perform the corrective actions, the supplier can be put on hold status to prevent further business with the supplier until the requested actions are completed.

Nokian Tyres aims to conduct follow-up audits every three years at the high sustainability risk suppliers' sites. Currently, Nokian Tyres has mitigation plans from eight audited supplier sites and is monitoring the closing of the corrective actions until the next follow-up audits.

Procurement function and the sustainability department share the responsibility for overseeing the organization's management of impacts and effectiveness of the actions.

S2-5 Targeting for a sustainable supply chain

Nokian Tyres drives sustainable development in the supply chain. The aim is to maintain the status that 100 percent of sustainability high-risk suppliers in the company's value chain have been audited. This target is supported by setting yearly key performance indicators related to the audits and other topics related to the sustainability of the supply chain.

Value chain workers do not directly participate in the setting of the yearly KPIs or in tracking the company's performance against them. However, the insight gained from interviews with the value chain workers during the audits and through the GPSNR informs the decisions that are made to improve the company's performance. The KPIs also support the objectives of the policies related to supply chain sustainability.

In 2025 the most important KPIs were the following:

- At least five sustainability audits performed
- 100 percent of natural rubber processor suppliers are either GPSNR members or signed Nokian Tyres sustainability commitment.

Both KPIs were achieved. Nokian Tyres performed five sustainability audits in total.

In 2026, Nokian Tyres aims to uphold the status of 100 percent of natural rubber processor suppliers either being GPSNR members or having signed Nokian Tyres sustainability commitment.

SOCIAL INFORMATION

S4 Consumers and end users

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Health and safety	• Positive impacts by improving traffic and end user safety	• Environmental, Safety, and Quality Guideline • Code of Conduct • Testing policies	**Nokian Tyres is committed to continuously improving the quality and safety of its products, services, and processes.** Nokian Tyres' operations are consumer-oriented and consider products' entire life cycles. Nokian Tyres' leadership and product development are guided by the company's Code of Conduct, Environmental, Safety, and Quality Guideline, as well as stringent testing policies. Nokian Tyres adheres to various regulations regarding noise, studs, chemicals, testing, and tire markings, among others. The product lifecycle process for passenger car tires guides internal processes to develop new products and ensure the quality and safety properties throughout the whole product lifecycle.
Quality information and responsible marketing	• Positive impacts by increasing end user awareness on safety, environmental and other aspects by providing educational content	• Code of Conduct	**Nokian Tyres' goal is to achieve efficient contact with the personnel and interest groups. The company will always communicate reliably.** Nokian Tyres markets according to good practice and provides truthful information in its marketing.

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Quality information and responsible marketing	• Opportunity through fact-based and innovative sustainability communications and marketing	• Code of Conduct	**Nokian Tyres' Code of Conduct defines its approach to marketing and communications.** It promotes reliable, balanced, and timely communication, ethical marketing practices, and the provision of truthful information.
Privacy	• Risk of negative impacts due to compromised customer privacy as a result of inadequate cybersecurity and/or inadequate privacy	• Code of Conduct • Data Protection Policy • Data Subject Rights Guideline • Data Breach Guideline • Information Security Policy • Data Retention Guideline • Privacy Statements	**Nokian Tyres' Code of Conduct and Data Protection Policy respect the protection of privacy and adhere to privacy legislation.** Personal data provided by customers and other parties will only be used in the manner stipulated in the legislation concerning privacy. Nokian Tyres' Information Security Policy describes the group's process for protecting the confidentiality, integrity and availability of information assets in order to manage and reduce information risks. The Data Subject Rights Guideline sets out a process for executing data subject requests in compliance with applicable laws. Data Breach Guideline sets out a process for handling data breaches in compliance with applicable laws. The Data Retention Guideline sets out the guiding principles on retention of personal data within the group. Privacy Statements are made available to the data subjects to describe how their personal data is being processed by Nokian Tyres group.

SBM-3 Committed to continuous improvements in quality and safety

Creating the safest tires for all conditions is an essential part of Nokian Tyres' strategy and business model. Consumers today demand high-quality, safe, and environmentally sustainable products. Nokian Tyres is committed to consistently meeting these expectations.

Consumers and end users of tires from Nokian Tyres include drivers and operators of various vehicles – whether they drive passenger cars, work in transportation driving trucks, buses, or vans, or are employed in industries like forestry or agriculture. In addition to tires, Vianor offers a range of tire and car services for both individual consumers and business customers.

Tires' impact on safety

Tires play a crucial role in ensuring the safety of both drivers and others on the road. From a technical standpoint, a car tire is a highly demanding product. It must allow the driver to maintain control in all conditions while also being energy-efficient, environmentally sustainable, and designed to reduce road wear and noise.

With the increasing frequency of extreme weather events due to climate change and varying road conditions, tire safety has become more critical than ever. Tires that perform well under challenging conditions directly enhance the safety of both drivers and those around them.

Safety as Nokian Tyres' top priority

Sustainability has long been at the core of Nokian Tyres' product development. As a tire manufacturer, Nokian Tyres is committed to developing, producing, and marketing tires that are verifiably safe and meet the highest quality standards. The company aims to create energy-efficient, durable premium tires that exceed expectations.

Nokian Tyres positively impacts road and end user safety in two key ways. First, the company produces high-quality tires suitable for all conditions, enhancing road safety. Second, it provides guidance and educational resources to help consumers and end users choose the right tires, maintain them correctly, and assess their tire condition effectively.

Nokian Tyres' vision is to lead the world to drive smarter. To raise consumer and end user awareness with regular educational outreach, Nokian Tyres offers content focused on safety, environmental responsibility, and other considerations. This includes practical advice, such as checking tire pressure, selecting the right tires, and ensuring proper tire recycling.

When it comes to communications and marketing, the target audience consists of individuals seeking product information when purchasing tires, users looking for tire maintenance tips, and consumers who receive email updates because they have opted in or are existing customers. Nokian Tyres and Vianor also share information via social media platforms and company websites.

Strengthening brand reputation through communication

Nokian Tyres sees an opportunity to engage more closely with its customers ja consumers through clear, fact-based sustainability communications and marketing. Proactive and innovative communication enhances brand reputation and help drive increased revenue.

Personal data protection

Nokian Tyres processes personal data of both individual consumers (B2C customers) and contact persons from corporate clients (B2B contacts). The company conducts Data Protection Impact Assessments (DPIAs) in compliance with data protection laws. These assessments evaluate whether certain consumer groups, such as minors, may be more vulnerable than the average consumer. For example, some minors – like moped drivers – may visit Vianor service centers, resulting in the processing of their personal data. However, no other consumer groups have been identified as being at higher risk than average consumers.

Managing potential negative impacts

In terms of potential negative impacts, Nokian Tyres recognizes the possibility of compromised customer privacy due to inadequate cybersecurity or privacy measures. Insufficient protection could lead to data breaches or misuse of personal information, potentially causing financial harm to consumers. Although such incidents could have widespread repercussions in a worst-case scenario, they would likely remain isolated.

Consumers and end users materially affected by Nokian Tyres were included in the company's double materiality assessment (DMA). The stakeholder survey was made available via social media, and an internal DMA workshop involved representatives from all three business units – Passenger Car Tyres, Heavy Tyres, and Vianor – along with survey participation from their respective customers.

S4-1 Policies and requirements guiding Nokian Tyres' work

Nokian Tyres operates in alignment with the UN Guiding Principles for Business and Human Rights and its own Code of Conduct, which reflects these principles. The company avoids any actions that could cause or contribute to human rights violations. If such impacts do occur, Nokian Tyres takes prompt action to address them.

Additionally, Nokian Tyres aims to prevent or mitigate human rights risks directly linked to its operations, products, or services. For consumers and end users, these risks may involve issues related to security and privacy rights. Nokian Tyres has established channels for seeking proper remediation. If a personal data breach takes place, the company will notify local supervisory authorities and affected individuals in accordance with applicable laws.

Nokian Tyres' Environmental, Safety, and Quality Guideline affirms the company's commitment to developing and manufacturing high-quality premium products and services that provide users with safe, economical, and comfortable driving experiences. It also pledges to deliver the best service in the tire industry across all areas. The Environmental, Safety, and Quality Guideline received minor updates in 2025, consisting of small additions and wording adjustments based on customer needs.

Rigorous testing policies and standards

In addition to adhering to Nokian Tyres' Code of Conduct and Environmental, Safety, and Quality Guideline, the product development processes are driven by rigorous testing policies. The Product Lifecycle Process guides internal procedures for developing new products while ensuring quality and safety standards are maintained throughout the entire product lifecycle.

The company adheres to various regulations covering noise, studs, chemicals, testing, and tire markings, among others. Tires in scope of EU Tyre Labelling regulation comply with the requirements and the related information is available in European Product Registry of Energy Labelling (EPREL).

As a full member of the European Tyre and Rim Technical Organisation (ETRTO), Nokian Tyres actively participates in global standardization and regulatory efforts. In addition, products of Nokian Heavy Tyres are designed according to ETRTO standards.

Currently, Nokian Tyres contributes to the European Tyre and Rim Technical Organisation's (ETRTO) development of a tire abrasion test method. Further details can be found under "**Pollution**" in the Environmental Information section.

Safeguarding consumers' and end users' data, and providing truthful information

Protecting the privacy of consumers' and end users' data is important to Nokian Tyres. The company is fully committed to data protection, continuously striving to uphold and enhance its standards. Both the Code of Conduct and Data Protection Policy emphasize privacy protection and strictly comply with relevant legislation, and the Data Protection Policy lays down the requirements for personal data processing. The Data Protection Policy was revised in spring 2025 to include clarifications regarding roles and responsibilities in relation to data protection.

Personal data provided by customers and other parties is used only as permitted by privacy laws. To ensure compliant practices, Nokian Tyres has established the following written guidelines for handling personal data:

- Data Subject Rights Guideline: Outlines the process for responding to data subject requests in compliance with applicable laws.
- Data Breach Guideline: Details the procedure for managing data breaches in accordance with legal requirements.
- Data Retention Guideline: Defines the principles for retaining personal data across the group.

Nokian Tyres' Code of Conduct defines the company's approach to marketing and communications, focusing on effective engagement with stakeholders, including consumers and end users. It promotes reliable, balanced, and timely communication, ethical marketing practices, and the provision of truthful information.

Oversight and implementation

Regarding the Data Protection Policy, the Board of Directors is accountable for the data protection governance and the management capabilities and their effectiveness. The President and CEO oversees application and monitors the performance of the data protection governance model. The heads of commercial organizations and heads of functions are accountable for implementation of data protection principles within their area of responsibility, assigning and allocating sufficient resources to implement data protection principles and to manage risks, ensuring an appropriate level of data protection awareness of the employees, and identifying and complying with laws and regulations affecting data protection in their area of responsibility.

The President and CEO is also responsible for implementing both the Environmental, Safety, and Quality Guideline and the Code of Conduct. Additionally, the Product Lifecycle Process has been approved by a member of Nokian Tyres' Management Team.

All policies relevant to consumers and end users are publicly accessible on Nokian Tyres corporate website **company.nokiantyres.com**.

S4-2 Engaging with end users

At Nokian Tyres, premium quality means premium class safety. The company has maintained a 24-year track record without significant product recalls.

Nokian Tyres' primary customers are tire dealers and other intermediaries who sell the tires to end users. Nokian Tyres has direct engagement with customers, gaining insight from end users through them.

When developing new products, consumer and end user needs are researched and taken into account to guide the development work. During the new product development phase, consumers' needs are collected in cooperation with business areas through different types of surveys, such as dealer surveys. This kind of feedback guides the focus and needs of development in product development processes.

In addition, Nokian Heavy Tyres (NHT) personnel trains customers on products and product safety. End users of heavy tires can also give feedback, request materials, and ask for technical information via NHT's web page: **www.nokiantyres.com/heavy/support/**. The most senior role responsible for this engagement is the Management Team member responsible for Heavy Tyres.

Consumers and end users are also able to provide feedback on Nokian Tyres' products. Additionally, during its double materiality analysis, Nokian Tyres included retailers among the survey respondent groups. The insights gathered from retailers are considered when managing sustainability impacts.

Regarding B2B customers, Nokian Tyres has not identified any groups as particularly vulnerable to impacts. However, in the B2C context, Nokian Tyres has noted that some minors may be among Vianor's customers buying services.

S4-3 Processes to remediate negative impacts

If Nokian Tyres identifies a material negative impact on consumers and end users due to compromised customer privacy from inadequate cybersecurity measures, the company will notify local supervisory authorities and all individuals whose personal data may have been compromised, in accordance with applicable laws.

If a consumer or end user suspects a data protection issue, they can contact Nokian Tyres directly via email at **privacy@nokiantyres.com**. The number of incoming data subject requests is monitored internally, and response times are tracked to ensure compliance with legal requirements.

The Privacy Statement, available on Nokian Tyres websites, includes instructions on how to contact the company. Additionally, when a consumer registers for any of Nokian Tyres or Vianor's services, they are informed about the Privacy Statements, including relevant contact details.

End users are encouraged to share feedback or concerns through their local website or, for product-related issues, by contacting the dealer where the tires were purchased. If these channels do not fully resolve the issue, end users can reach out to Nokian Tyres' main offices via various channels, including **info@nokiantyres.com**.

For unresolved concerns or significant issues, such as suspected infringements, reports can be made through the whistleblowing channel, also anonymously.

The Code of Conduct, available on the corporate website **company.nokiantyres.com**, includes instructions for using the whistleblowing channel. Nokian Tyres' policies protect individuals from retaliation when raising concerns about a misconduct, as outlined in the Code of Conduct.

Nokian Tyres plc manages personal data related to the company's group-level whistleblowing process. All grievances are handled confidentially and with respect to privacy and data protection rights. While the number of whistleblowing cases is monitored internally, there are currently no processes in place to track the effectiveness of these reporting channels or the consumers' and end users' awareness and trust toward these structures and processes.

S4-4 Taking action to manage impacts and pursue opportunities

In 2025, Nokian Tyres did not identify any severe human rights issues or incidents involving consumers or end users.

To proactively manage potential material impacts, the company has allocated resources across key functions. Data protection responsibilities are clearly defined within the Data Protection Policy, ensuring compliance and accountability.

For the development of passenger car tires' safety properties, the Products and Innovations unit takes the lead in managing impacts. Additionally, the Nokian Heavy Tyres business unit oversees heavy tire safety, reinforcing the company's commitment to end user and product safety.

The sustainability team and corporate communications handle corporate sustainability communications and collaborate with business area marketing teams to develop educational content.

Increasing awareness on data protection

In 2025, Nokian Tyres renewed its data protection governance model and conducted a review of the data subject rights process. As part of these initiatives, the revised processes were communicated, and relevant employees were provided with targeted training.

In 2025, Nokian Tyres took measures to increase the completion rate of mandatory data protection eLearning course among employees whose work may include processing of personal data. The mandatory eLearning course must be renewed at two-year intervals, and managers are responsible that their team members complete the course.

Data protection management activities are structured in annual cycles, with planned actions outlined for each quarter of the year.

Safety and comfort in all conditions

Nokian Tyres actively participates in the continued development of EU Tyre Labelling test methods for regulatory purposes, including wet grip and ice grip testing. These performance features are critical for passenger car tire safety, determining how quickly a vehicle with particular tires can stop on wet or icy roads.

As for heavy tire safety, tire pressure poses a significant risk of explosion, and working with tires involves various occupational safety hazards. As tires have grown larger and heavier, their pressures have increased as well. Tire industry professionals handle a growing number of tires with diverse sizes and technical specifications daily. Recognizing these risks in advance and taking effective measures to manage them is crucial.

Nokian Tyres uses high-quality raw materials to ensure the safety and premium quality of its tires. Each raw material is rigorously tested and studied, while the rubber compounds are continuously improved. Process controls are implemented throughout production to guarantee quality, with every tire undergoing production quality control. This includes testing for force variations, roundness, and unbalance measurements, as well as a thorough visual inspection.

At Nokian Tyres' test centers in Nokia and Ivalo, Finland, and Santa Cruz de la Zarza, Spain, tire performance is evaluated under diverse conditions: wet and dry asphalt, ice, snow, slush, inclines, corners, straights, and even cobblestones. Tires are tested during acceleration, braking, aquaplaning, and on handling tracks, in both freezing cold and extreme heat.

Nokian Tyres is also committed to reducing tire noise emissions. The state-of-the-art test center in Santa Cruz de la Zarza includes a 1.9-kilometer "comfort road" that simulates different types of asphalt and rough roads, as well as cobblestone streets.

The flagship Nordic winter tires, the non-studded Nokian Tyres Hakkapeliitta R5 EV and studded Nokian Tyres Hakkapeliitta 10 EV, are specially designed for electric vehicles. Both feature noise-reducing innovations, including an interior foam layer that minimizes noise inside the vehicle.

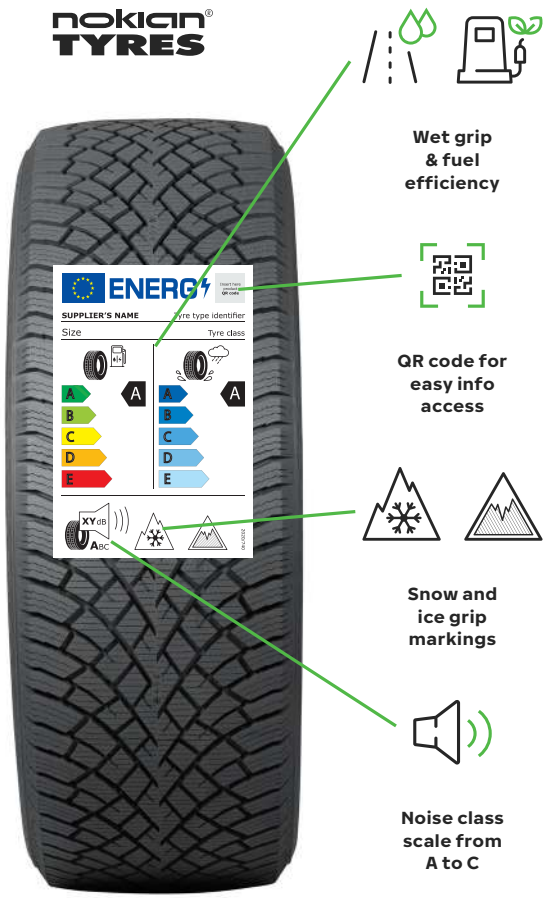
Nokian Tyres has been designing and testing tires for electric vehicles for over 10 years. In 2023, the company introduced the ELECTRIC FIT™ symbol across its entire portfolio of premium passenger car tires. This symbol indicates that Nokian Tyres' tires are compatible with both internal combustion engine and electric vehicles, offering safe and high-quality performance regardless of the vehicle's powertrain.

Nokian Heavy Tyres also promotes safety and sustainability through innovations such as Intuitu smart tire technology, which provides real-time data on tractor tire pressure and temperature to help optimize performance, extend tire life, and enhance operational safety.

The EU Tyre Label provides reliable and transparent tire information for consumers and end users

The established standards and regulations provide a solid foundation for Nokian Tyres' commitment to product safety. The EU Tyre Label empowers consumers to make informed decisions when purchasing tires by highlighting key performance attributes such as fuel efficiency, wet grip, and pass-by noise levels. The labeling values provide reliable and transparent information to consumers and end users to evaluate different products.

Nokian Tyres' products covered by the EU Tyre Labelling Regulation are equipped with the EU Tyre Label. Detailed labelling information is also available on the company's website. Additionally, Nokian Heavy Tyres provides product information, including certificates and technical manuals, for all customers and consumers on NHT's website.



TIRE GRIP AND SAFETY

When it comes to the safety of passenger car tires, wet grip, snow grip, and ice grip are critical performance indicators. The EU Tyre Label rates wet grip on a scale from A to E, indicating braking performance in wet conditions – the higher the rating, the shorter the braking distance.

Tires approved for severe snow conditions feature the snow grip marking, while those passing international ice grip tests carry the ice grip marking. The ice grip marking is only applicable to passenger car tires.

Additionally, the label includes a QR code that links to the European Product Registry for Energy Labelling (EPREL), providing more detailed information about the tire. Consumers can download and print the tire label directly from EPREL.

NOISE LEVELS

Tires generate pass-by noise, which affects both the people inside the vehicle as well as those around it. The EU Tyre Label classifies pass-by noise from A to C, with A representing the lowest external noise levels. Noise levels are influenced by various factors, including vehicle type, tire size, road surface, driving speed, and climate conditions.

SAFE AND SUSTAINABLE TIRE USE

Nokian Tyres aims to lead the way in smart driving, educating drivers on how to maximize tire performance through responsible driving and tire maintenance. Tires with lower rolling resistance reduce emissions, and predictable driving habits, along with properly maintained tires, significantly enhance road safety.

In addition to the EU Tyre Label, Nokian Tyres provides comprehensive guidance on tire use and maintenance through its website, regularly covering essential topics like maintaining the correct tire pressure.

Increasing end user awareness on both safety and sustainability

Nokian Tyres is committed to continuously raising end user awareness on safety, environmental, and other important aspects through educational content. The company's websites offer detailed, product-specific information about tire safety features, as well as general advice on topics like proper tire pressure, tread depth, tire storage and maintenance, the impact of low rolling resistance on fuel consumption, and safe driving practices in wet, snowy or icy conditions.

In addition to highlighting these topics across all of Nokian Tyres' market areas, press releases and social media posts help to raise awareness and reach a broader audience. Consumer newsletters also provide regular updates on these subjects. Additionally, Vianor regularly communicates tire and traffic safety information to both B2C and B2B end users in the Nordics.

When a customer visits Vianor for car or tire service, the condition of their vehicle's tires is checked, and information about the tires' condition is shared to them. If necessary, the customer also receives a recommendation to replace the tires to ensure road safety.

Similarly, the condition of customers' tires stored at Vianor is checked, and if the tires are no longer road-safe, the customer is informed prior to the next tire change with a recommendation to purchase new tires.

Opportunities in fact-based and innovative communications

Nokian Tyres communicates sustainability topics regularly with external stakeholders, including consumers and end users. The communication handles sustainability innovations, achievements, and actions that demonstrate the company's leadership in sustainability, which can influence purchasing decisions. This involves highlighting how the company's sustainability efforts contribute to key areas such as environmental impact, climate actions, raw material innovations, and product performance.

By sharing this information through various channels, including websites, press releases, and social media, Nokian Tyres aims to provide consumers and end users with clear, fact-based insights into how the company and its products support sustainability. This approach not only reinforces the company's commitment to environmental responsibility but also helps consumers make informed choices that align with their values.

In 2025, Nokian Tyres also launched a new sustainability communication concept and campaign under the theme "About Time", highlighting the company's ambitious sustainability work and targets and that timing matters: whether it is about selecting the safest tires for your vehicle, cutting emissions from tire manufacturing, or switching to smarter materials, there is no such thing as too early but there is a too late. The campaign's landing page and more information is available at **company.nokiantyres.com/about-time/**.

S4-5 Targets to improve road and end user safety

Improving grip in various road conditions – such as wet, snow, and ice – is a continuous development target for Nokian Tyres' R&D, directly linked to the company's safety policy commitments. Although consumers and end users were not involved in setting or tracking these targets, the EU Tyre Label's classification criteria for wet grip, rolling resistance, noise, fuel efficiency, snow grip, and ice grip help simplify and guide consumers' and end users' purchase decisions.

The EU Tyre Label classification is used in Nokian Tyres' Product Lifecycle Process to establish specific product performance targets, as achieving certain labeling classifications or fulfilling the criteria for labeling markings provide a means to assess product performance reliably and transparently.

For wet grip, Nokian Tyres aimed for 100 percent of its selected premium passenger car tires to achieve an A or B class rating in the EU Tyre Labeling system by 2025. By the end of 2023, the company had already met this target, with all premium tires in the selected scope rated A or B. The selected scope comprises the latest generation tires that are in price category A and included in the EU Tyre Labelling. The scope does not include Nordic winter tires, for which ice grip is crucial.

In terms of ice grip, ensuring the safety of winter tires is a top priority for Nokian Tyres. The target was that all of Nokian Tyres Hakkapeliitta products meet the EU ice grip requirements by 2025, which was achieved in 2022.

Nokian Tyres remains committed to maintaining high safety standards and continues to develop future products accordingly. The company targets to ensure that 100 percent of its premium passenger car tires in the selected scope achieve an A or B class wet grip rating in the EU Tyre Labeling system and that all of the Nokian Tyres Hakkapeliitta products meet the EU ice grip requirements also in the future. This target was achieved in 2025. Additionally, the company actively collects user feedback and ratings on its website, allowing consumers to provide insights and suggestions for improvements.

GOVERNANCE INFORMATION

G1 Business conduct 126

GOVERNANCE INFORMATION

G1 Business conduct

Material topic in Nokian Tyres' context	Impact, risk, opportunity	Policy or work instruction	Management
Management of relationships with suppliers including payment practices	• Positive impacts from ethical and sustainable sourcing practices • Opportunity for being a preferred partner for suppliers through good and fair relationship management	• Supplier Code of Conduct • Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation • Nokian Tyres' general terms and conditions for purchases	**Nokian Tyres aims to be a trusted partner and a sustainability benchmark in the industry.** This can only be achieved by having a network of responsible suppliers. The Supplier Code of Conduct defines the basic principles that every supplier must comply with. The standard payment term is 90 days net. The payment terms are reconsidered when necessary in the case of, e.g., smaller suppliers.
Political engagement and lobbying activities	• Positive impacts from advancing and lobbying for legislation that is beneficial for end users and/or the environment	• Code of Conduct	**Nokian Tyres does not provide monetary or in-kind support to political parties or groups or individual politicians.** Lobbying is conducted through industry associations, and it is transparent and characterized by accurate contribution of the company's technical expertise and knowledge concerning the tire industry and other related sectors, with a focus on products, safe and sustainable mobility, and innovation.

G1-1 Corporate culture and business conduct policies

Nokian Tyres' operations are guided by ethical principles defined in the company's Code of Conduct, approved by the Board of Directors and available on the corporate website company.nokiantyres.com. The Code of Conduct provides clear instructions on responsible business conduct, including anti-bribery and compliance measures.

At the core of Nokian Tyres' corporate culture is a comprehensive compliance framework, which consists of key policies reviewed in regular intervals by the Board of Directors and the Management Team. These include ethical policies such as the Code of Conduct, Anti-Bribery and Conflict of Interest Code of Conduct, Data Protection Policy, and Supplier Code of Conduct as well as financial policies such as Tax Policy and Enterprise Risk Management Policy.

Together, these policies define the principles and operational guidelines that steer Nokian Tyres' business and ensure integrity, transparency, and compliance across organization.

Reporting and handling of breaches

At Nokian Tyres, the general controls, including identifying, reporting and investigating unlawful behavior or behavior in contradiction with the Code of Conduct, are the responsibility of the line organization and the various specialist functions as part of their normal operative work. Nokian Tyres has a Whistleblowing Policy in place, approved by the Board of Directors. The company has had a whistleblowing channel since 2011, and it is also available to external stakeholders on the corporate website company.nokiantyres.com. The company utilizes whistleblowing service provided by an external third party.

All messages received in the channel are encrypted and handled confidentially. Anonymous reports are allowed. To ensure anonymity of individuals submitting whistleblower reports, the external service provider automatically deletes all metadata, including IP addresses. This guarantees that the whistleblower remains anonymous throughout any subsequent dialogue with the designated recipients of the report.

Access to messages received through the whistleblowing channel is restricted to members of the whistleblowing team that has the authority to handle whistleblowing cases. Their actions are logged, and handling is confidential. Internal instructions and training concerning the investigation process and rules pertaining to it are in place for the members of the whistleblowing team. When needed, the whistleblowing team may request information and expertise from other individuals within or outside the company. These individuals can gain access to relevant data and are also bound to confidentiality.

The Code of Conduct eLearning includes training on the whistleblowing channel. In addition, when adopting a new whistleblowing service tool in 2024, the company communicated the change by several means, such as in general info calls and team meetings and organizing activities to promote the awareness of the whistleblowing channel.

Nokian Tyres is committed to investigating business conduct incidents promptly, independently and objectively. If an investigation reveals that an employee has acted contrary to Nokian Tyres business conduct policies, it may lead to corrective or disciplinary actions, termination of employment, and if necessary, to a report to the relevant authorities. Nokian Tyres' Whistleblowing Committee was formed in 2019 to guide and monitor the activities relating to the whistleblowing channel. All material issues will be reported to the Audit Committee and People and Sustainability Committee at least once a year.

In 2025, no compliance breaches were found (0 in 2024) relating to corruption or bribery, conflict of interest, money laundering or insider trading, or any subjects referred to in the EU Whistleblowing Directive.

Nokian Tyres informed on January 30, 2024 that the European Commission had at the same day initiated an unannounced inspection at Nokian Tyres plc's headquarters in Nokia, Finland. The European Commission has expressed its concerns that the inspected tire manufacturing companies may have violated EU antitrust rules that prohibit cartels and restrictive business practices. Nokian Tyres does not have information on the outcome of the inspection, and it cannot comment on the ongoing investigation. Nokian Tyres is fully co-operating with the authorities.

On April 10, 2025, the Helsinki Court of Appeal issued a judgment in securities market information offence of Nokian Tyres plc and its former President and CEO.

Protecting whistleblowers and training the employees

Reports of suspicions concerning illegal activity at Nokian Tyres or infringements of Nokian Tyres' Code of Conduct or other guidelines may be submitted anonymously. Reports sent via the whistleblowing channel are processed by Nokian Tyres' whistleblowing team. When needed, the whistleblowing team may request information and expertise from other individuals within or outside the company. All the people participating in the investigation have a professional understanding and capacity to handle the reports and investigations.

Personal data and other information entered into the whistleblowing system is handled with absolute confidentiality and in the manner required by the applicable privacy legislation. Personal data in the whistleblowing system is protected against unauthorized access.

All whistleblowers are protected against any form of retaliation. Anonymous reports are treated with the same level of importance as named reports.

Nokian Tyres' employees have been informed of the whistleblowing channel via internal communication channels. In addition, information on the whistleblowing channel is communicated as part of Nokian Tyres Code of Conduct eLearning, which is included in the induction training of all new employees.

Nokian Tyres is subject to legal requirements under national law transposing Directive (EU) 2019/1937.

Internal Audit

Nokian Tyres Group's Internal Audit was outsourced in 2024. The outsourced Internal Audit team reports administratively to the CFO and functionally to the Audit Committee. Each year, the Audit Committee approves the focus areas for Internal Audit.

Nokian Tyres' Internal Audit systematically carries out assessments and audits on the efficiency of risk management, internal control, and corporate governance processes. Internal Audit is an independent and objective function aimed at helping the organization achieve its goals. The principles for Internal Audit have been confirmed in the Internal Audit Charter and Policy, approved by the Board of Directors.

The operation of Internal Audit covers all business activities, functions and processes within the Nokian Tyres Group. The audit assignments are based on the key strategic focus areas of the company's operations and the associated risks. The audit findings, recommendations and management action plans are presented to the Audit Committee, followed by ongoing monitoring and follow-up on the implementation of the management action plans.

G1-2 Management of relationships with suppliers

Nokian Tyres has standard payment terms, and there is no separate policy to prevent late payments. However, the basis of the procurement process is that justified invoices are paid on time.

Requiring a commitment to ethical business and sustainability from suppliers promotes both environmental and social responsibility in the supply chain. The most important policies that drive this development are Nokian Tyres Supplier Code of Conduct and Nokian Tyres Guideline for Sustainable Natural Rubber, Biodiversity and Deforestation. They are discussed in more detail under the topic "**Workers in the value chain**". The Senior Vice President of Operations is accountable for the implementation of these supply chain related policies.

Nokian Tyres checks the backgrounds of all new suppliers according to the Due Diligence process and assesses the possible risks attached to the suppliers before supplier approval. The assessment model has four different categories: quality, sustainability (covering environmental, social and governance criteria), business/strategic criticality, and safety at work. Actions are taken with all new suppliers that are classified as critical or medium critical in any of the four categories in the classification model. The actions are, for example, sustainability on-site audits, desk assessments and requesting a management system certification in terms of quality, environment, or safety. Potential risks identified with desk assessments are additionally confirmed and verified through on-site audits. The Supplier Risk Analysis Process is also presented in more detail under the topic "**Workers in the value chain**".

G1-5 Advancing regulation related to tire safety and sustainability

Nokian Tyres' business is guided by the ethical principles presented in the Code of Conduct, which states that Nokian Tyres does not provide monetary or in-kind support to political parties or groups or individual politicians.

Every employee must adhere to the Code of Conduct. Participation in interest representation through memberships is conducted only in strict compliance with applicable laws, the Code of Conduct and related policies and procedures. Nokian Tyres is registered with the European Transparency Register (registration number 604107415108-75).

For the management of the company's lobbying activities and trade association memberships, the guiding principles are the following: lobbying work is transparent and characterized by accurate contribution of the company's technical expertise and knowledge concerning the tire industry and other related sectors, with a focus on products, safe and sustainable mobility, and innovation.

Nokian Tyres is a member of certain industry and other associations and of national and international advocacy organizations. These memberships also help Nokian Tyres identify new product development and business opportunities early on and create competitive business conditions that are sustainable over the long term.

In 2025, the company's membership fees for trade associations and contributions to lobbying activities totaled 1,304,960 euros (1,271,640 in 2024) globally. The three largest fees were paid to the U.S. Tire Manufacturers' Association (USTMA), Tyres Europe (formerly ETRMA) and Finnish Rubber Manufacturers' Association.

The biggest contribution for a specific topic was related to tire abrasion. The tire abrasion validation project is related to Nokian Tyres' material impact regarding pollution, as the project aims for reducing road transport emissions by setting global tire abrasion limits that are based on a reliable tire test method. There were no other significant topic-specific contributions in 2025.

Membership fees and interest representation

Euros	2025	2024
Political funding and in-kind giving provided to parties and politicians, and spending related to ballot measures or referendums	**0**	0
Three largest membership fees of trade associations, including industry associations and business associations:		
	U.S. Tire Manufacturers' Association (USTMA) 403,157	U.S. Tire Manufacturers' Association (USTMA) 322,604
	Tyres Europe (formerly ETRMA) 117,747	Tyres Europe (formerly ETRMA) 109,939
	Finnish Rubber Manufacturers' Association 113,034	Finnish Rubber Manufacturers' Association 104,415
Membership fees of trade associations (total)	**1,053,129**	882,925
Largest contributions for particular topics:		
	Tyres Europe: Tyre Abrasion Validation 189,341	Tyres Europe: Tyre Abrasion Validation 236,720
		ETRTO: Indoor drum method 48,153
Total contributions for lobbying and interest representation	**251,831**	388,714

G1-6 Payment practices

The standard payment term in Nokian Tyres' general terms and conditions for purchases is 90 days net. In the case of smaller suppliers, for example, the payment terms are reconsidered when necessary. In 2025, 93 percent (85% in 2024) of the invoices were paid aligned with the standard terms.

In 2025, the average time it takes to pay an invoice, starting from the date when the contractual or statutory payment term begins, was 49 (46) days. The payment term has been calculated as a weighted average based on the supplier invoices paid during the review period. At the end of 2025, there were no outstanding legal proceedings for late payments.

ESRS content index

ESRS Standard	Disclosure Requirement	Page reference
General disclosures		
ESRS 2	BP-1 – General basis for preparation of the sustainability statement	39
	BP-2 – Disclosures in relation to specific circumstances	39
	GOV-1 – The role of the administrative, management and supervisory bodies	40
	GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	42
	GOV-3 – Integration of sustainability-related performance in incentive schemes	42
	GOV-4 – Statement on due diligence	43
	GOV-5 – Risk management and internal controls over sustainability reporting	43
	SBM-1 – Strategy, business model and value chain	44
	SBM-2 – Interests and views of stakeholders	46
	SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	49
	IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	58
	IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability statement	61
Climate Change		
ESRS E1	ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes	42
	E1-1 – Transition plan for climate change mitigation	70
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	71
	ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities	58
	E1-2 – Policies related to climate change mitigation and adaptation	72
	E1-3 – Actions and resources in relation to climate change policies	72
	E1-4 – Targets related to climate change mitigation and adaptation	73
	E1-5 – Energy consumption and mix	76
	E1-6 – Gross Scopes 1, 2, 3 and Total GHG emissions	77

ESRS Standard	Disclosure Requirement	Page reference
Pollution		
ESRS E2	ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	58
	E2-1 – Policies related to pollution	82
	E2-2 – Actions and resources related to pollution	82
	E2-3 – Targets related to pollution	84
	E2-4 – Pollution of air, water and soil	85
	E2-5 – Substances of concern and substances of very high concern	86
Water and marine resources		
ESRS E3	ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities	58
Biodiversity and ecosystems		
ESRS E4	E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model	88
	ESRS 2 SBM 3 – Material impacts, risks and opportunities and their interaction with strategy and business model	88
	ESRS 2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	58
	E4-2 – Policies related to biodiversity and ecosystems	88
	E4-3 – Actions and resources related to biodiversity and ecosystems	89
	E4-4 – Targets related to biodiversity and ecosystems	89
Resource use and circular economy		
ESRS E5	ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	58
	E5-1 – Policies related to resource use and circular economy	92
	E5-2 – Actions and resources related to resource use and circular economy	93
	E5-3 – Targets related to resource use and circular economy	94
	E5-4 – Resource inflows	94
	E5-5 – Resource outflows	95

ESRS Standard	Disclosure Requirement	Page reference
Own workforce		
ESRS S1	ESRS 2 SBM-2 – Interests and views of stakeholders	46
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	99
	S1-1 – Policies related to own workforce	99
	S1-2 – Processes for engaging with own workforce and workers' representatives about impacts	101
	S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	102
	S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	102
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	103
	S1-6 – Characteristics of the undertaking's employees	104
	S1-7 – Characteristics of non-employees in the undertaking's own workforce	106
	S1-8 – Collective bargaining coverage and social dialogue	106
	S1-9 – Diversity metrics	106
	S1-10 – Adequate wages	107
	S1-11 – Social protection	107
	S1-13 – Training and skills development metrics	107
	S1-14 – Health and safety metrics	108
	S1-15 – Work-life balance metrics	108
	S1-16 – Remuneration metrics (pay gap and total remuneration)	108
	S1-17 – Incidents, complaints and severe human rights impacts	109
Workers in the value chain		
ESRS S2	ESRS 2 SBM-2 – Interests and views of stakeholders	46
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	111
	S2-1 – Policies related to value chain workers	111
	S2-2 – Processes for engaging with value chain workers about impacts	115
	S2-3 – Processes to remediate negative impacts and channels for value chain workers to raise concerns	115
	S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	115
	S2-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	116

ESRS Standard	Disclosure Requirement	Page reference
Consumers and end users		
ESRS S4	ESRS 2 SBM-2 – Interests and views of stakeholders	46
	ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	119
	S4-1 – Policies related to consumers and end users	119
	S4-2 – Processes for engaging with consumers and end users about impacts	120
	S4-3 – Processes to remediate negative impacts and channels for consumers and end users to raise concerns	121
	S4-4 – Taking action on material impacts on consumers and end users, and approaches to managing material risks and pursuing material opportunities related to consumers and end sers, and effectiveness of those actions	121
	S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	124
Business conduct		
ESRS G1	ESRS 2 GOV-1 – The role of the administrative, management and supervisory bodies	40
	ESRS 2 IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	58
	G1-1 – Business conduct policies and corporate culture	127
	G1-2 – Management of relationships with suppliers	128
	G1-5 – Political influence and lobbying activities	128
	G1-6 – Payment practices	129

List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page reference
ESRS 2 GOV-1 Board's gender diversity ratio 21 d	Indicator number 13 of Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	40
ESRS 2 GOV-1 Percentage of independent board members 21 e			Delegated Regulation (EU) 2020/1816, Annex II		Material	40
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 of Table #3 of Annex 1				Material	43
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 d i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 d ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 d iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 d iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	-
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	70

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page reference
ESRS E1-1 Undertaking is excluded from EU Paris-aligned Benchmarks 16 g		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Material	71
ESRS E1-4 GHG emission reduction targets 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	73
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors paragraph 38)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	76
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	76
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	75
ESRS E1-6 Gross Scope 1, 2, 3 and total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	77

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page reference
ESRS E1-6 GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	78
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	-
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 a ESRS E1-9 Location of significant assets at material physical risk paragraph 66 c		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes 67 c		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Material	85

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page reference
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	-
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	-
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	-
ESRS E3-4 Total water recycled and reused paragraph 28 c	Indicator number 6.2 Table #2 of Annex 1				Not material	-
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	-
ESRS2 SBM-3 - E4 paragraph 16 a i	Indicator number 7 Table #1 of Annex 1				Material	88
ESRS2 SBM-3 - E4 paragraph 16 b	Indicator number 10 Table #2 of Annex 1				Material	88
ESRS2 SBM-3 - E4 paragraph 16 c	Indicator number 14 Table #2 of Annex 1				Material	88
ESRS E4-2 Sustainable land or agriculture practices or policies paragraph 24 b	Indicator number 11 Table #2 of Annex 1				Material	88
ESRS E4-2 Sustainable oceans or seas practices or policies paragraph 24 c	Indicator number 12 Table #2 of Annex 1				Not material	88
ESRS E4-2 Policies to address deforestation paragraph 24 d	Indicator number 15 Table #2 of Annex 1				Material	88
ESRS E5-5 Non-recycled waste paragraph 37 d	Indicator number 13 Table #2 of Annex 1				Not material	95
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	95
ESRS2 SBM-3 - S1 Risk of incidents of forced labour paragraph 14 f	Indicator number 13 Table #3 of Annex I				Not material	99
ESRS2 SBM-3 - S1 Risk of incidents of child labour paragraph 14 g	Indicator number 12 Table #3 of Annex I				Not material	99
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	99
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	99

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page reference
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Material	99
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	99
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 c	Indicator number 5 Table #3 of Annex I				Material	102
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 b and c	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	108
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 e	Indicator number 3 Table #3 of Annex I				Material	108
ESRS S1-16 Unadjusted gender pay gap paragraph 97 a	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	108
ESRS S1-16 Excessive CEO pay ratio paragraph 97 b	Indicator number 8 Table #3 of Annex I				Material	108
ESRS S1-17 Incidents of discrimination paragraph 103 a	Indicator number 7 Table #3 of Annex I				Material	109
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 a	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	109
ESRS 2 SBM-3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 b	Indicators number 12 and n. 13 Table #3 of Annex I				Material	111
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Material	111
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Material	111
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines pargraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	111
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material	111

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ Not material	Page reference
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Material	115
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	-
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	-
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	-
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	119
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	119
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Material	121
ESRS G1-1 United Nations Convention against Corruption paragraph 10 b	Indicator number 15 Table #3 of Annex 1				Not material	-
ESRS G1-1 Protection of whistle- blowers paragraph 10 d	Indicator number 6 Table #3 of Annex 1				Not material	-
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 a	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Not material	-
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 b	Indicator number 16 Table #3 of Annex 1				Not material	-

ADDITIONAL, NON-MATERIAL INFORMATION

Additional sustainability disclosures

Pollution

NO_x and SO_x emissions were assessed non-material in the double materiality assessment. However, Nokian Tyres reports the following figures to provide transparent information also about these emissions.

Emissions to air	2025	2024	2023
NOx, t			
Tire factory in the US	**3.6**	3.3	2.8
SOx, t			
Tire factory in the US	**0.1**	0.6	0.5

(GRI 305: Emissions 2016. GRI 305–7 Nitrogen oxides (NO_x), sulfur oxides (SO_x))

Water and wastewater

As mentioned in ESRS 2 IRO-1, the topic Water and marine resources was assessed non-material. In Nokian Tyres' operations, municipal water is mainly used for process cooling in a circular system, and after usage it is delivered to a wastewater treatment plant. Regular samples are taken from the cooling water and from the wastewater conveyed to the municipal treatment plant in order to verify the water quality. Both the wastewater conveyed into the municipal sewage system and the cooling water have been practically clean.

In the tire factory in Finland, manufacturing processes use large quantities of cooling water due to the cooling system being different from the system in the other tire factories. In Finland, surface water is taken from the nearby Nokianvirta river for cooling, and it is discharged back into the river after use. The cooling water has no contact with production chemicals at any stage and, therefore, does not become contaminated.

The significant difference in the figures for water withdrawal and discharge in Romania is due to water having been used for watering the lawn area (ca. 10 hectares) around the factory.

Nokian Tyres' target for water usage in 2025 was that municipal (third party) water withdrawal is below three liters per product kilogram in the tire factories. Tire factories' water withdrawal is monitored monthly, and if necessary, corrective actions are initiated. A global action plan for reducing water and wastewater generation is also being implemented. In 2025, municipal (third party) water withdrawal was 2.6 liters per product kilogram in the tire factories.

Water	2025	2024	2023
Cooling water (surface water), Tire factory in Finland, 1,000 m³			
Withdrawal, Nokianvirta river	**7,854.0**	7,785.0	9,004.2
Discharge, Nokianvirta river	**7,799.7**	7,745.3	8,950.8
Municipal water, 1,000 m³			
Tire factory in Finland	**89.9**	81.5	75.1
Tire factory in the US	**142.4**	156.4	142.2
Tire factory in Romania	**70.4**		
Wheel factory in Finland	**9.5**	6.8	6.3
Water discharge, sewage, 1,000 m³			
Tire factory in Finland	**144.2**	118.4	128.5
Tire factory in the US	**115.0**	138.2	97.3
Tire factory in Romania	**24.8**		
Wheel factory in Finland	**9.5**	6.8	6.3

(GRI 303: Water and effluents 2018. 303–3 Water withdrawal, 303–4 Water discharge)

ADDITIONAL, NON-MATERIAL INFORMATION

Waste

In the double materiality assessment waste was identified as non-material. All Nokian Tyres' tire production waste is utilized, and there has been no waste to landfill from tire production after 2021. Thus, waste does not cause material impacts, risks, or opportunities. The table below shows the key figures regarding Nokian Tyres' factory waste disposal.

Waste generated	2025	2024*	2023*	Tire factory, Finland 2025	Tire factory, Romania 2025	Tire factory, US 2025	Wheel factory, Finland 2025
Hazardous waste diverted from disposal	**663**	344	218	**270**	**0**	**0**	**393**
Hazardous waste diverted from disposal due to preparation for reuse	**0**	0	0	**0**	**0**	**0**	**0**
Hazardous waste diverted from disposal due to recycling	**663**	344	218	**270**	**0**	**0**	**393**
Hazardous waste diverted from disposal due to other recovery operations	**0**	0	0	**0**	**0**	**0**	**0**
Non-hazardous waste diverted from disposal	**12,830**	7,250	5,604	**2,098**	**3,571**	**5,096**	**2,065**
Non-hazardous waste diverted from disposal due to preparation for reuse	**1,181**	1,108	145	**240**	**0**	**941**	**0**
Non-hazardous waste diverted from disposal due to recycling	**11,523**	6,080	5,400	**1,764**	**3,571**	**4,155**	**2,033**
Non-hazardous waste diverted from disposal due to other recovery operations	**126**	62	59	**94**	**0**	**0**	**32**
Hazardous waste directed to disposal	**40**	19	62	**27**	**0**	**0**	**13**
Hazardous waste directed to disposal by incineration	**40**	19	62	**27**	**0**	**0**	**13**
Hazardous waste directed to disposal by landfilling	**0**	0	0	**0**	**0**	**0**	**0**
Hazardous waste directed to disposal by other disposal operations	**0**	0	0	**0**	**0**	**0**	**0**
Non-hazardous waste directed to disposal	**4,712**	3,749	3,678	**3,287**	**976**	**417**	**32**
Non-hazardous waste directed to disposal by incineration	**106**	32	54	**0**	**0**	**106**	**0**
Non-hazardous waste directed to disposal by energy recovery	**4,606**	3,717	3,624	**3,287**	**976**	**311**	**32**
Non-hazardous waste directed to disposal by landfilling	**0**	0	0	**0**	**0**	**0**	**0**
Non-hazardous waste directed to disposal by other disposal operations	**0**	0	0	**0**	**0**	**0**	**0**
Non-recycled waste	**4,752**	3,768	3,740	**3,314**	**976**	**417**	**45**
Percentage of non-recycled waste	**26%**	33%	39%	**58%**	**21%**	**8%**	**2%**
Total waste (t)	**18,245**	11,362	9,562	**5,682**	**4,547**	**5,513**	**2,503**

*Includes only tire factories in Finland and in the US
(GRI 306: Waste 2020. 306–3 Waste generated, 306–4 Waste diverted from disposal)

CORPORATE GOVERNANCE STATEMENT

Introduction	143
Governance bodies	143
Board of Directors	145
Management Team	150
Internal control and risks	152

THE AVERAGE ANNUAL SNOWFALL IN THE BAVARIAN ALPS

119 CM

Corporate Governance Statement 2025

I Introduction

Nokian Tyres plc (Nokian Tyres or Company) complies without deviation with the Finnish Corporate Governance Code (Code) in force, adopted by the Securities Market Association. The Code is available in its entirety at **cgfinland.fi/en/corporate-governance-code**. The Company's Board of Directors has approved the Corporate Governance Statement on February 10, 2026.

The Corporate Governance Statement will be published as part of the Report by the Board of Directors in the Annual Report 2025. This Corporate Governance Statement and updated information about the governance and remuneration of the Company is available on the Company's website at **company.nokiantyres.com/investors/corporate-governance**.

Nokian Tyres' corporate governance is based on the administrative organization described in the charts on the right. The Company's Auditor verifies that the Corporate Governance Statement and its related descriptions of the internal reporting controls and risk management correspond to the financial reporting process.

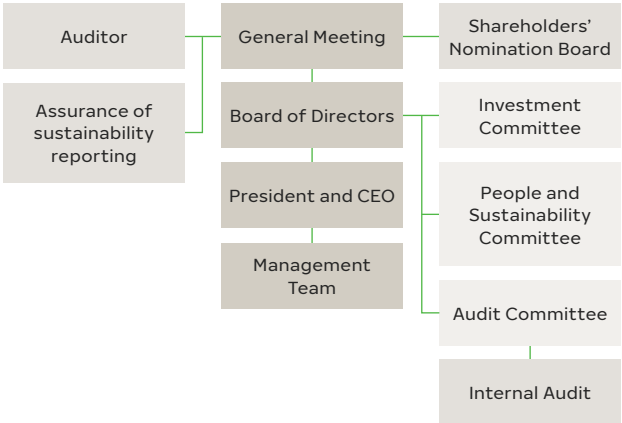
II Governance bodies

Nokian Tyres is a Finnish limited liability company, and its registered place of business is Nokia, Finland. The parent company Nokian Tyres plc and its subsidiaries form the Nokian Tyres Group (Group). The administrative bodies of Nokian Tyres, i.e., the General Meeting, the Board of Directors, and the President and CEO, are responsible for the administration and operation of the Group. The General Meeting elects the members of the Board of Directors, and the Chair and possibly the Deputy Chair of the Board of Directors upon the proposal by the Shareholders' Nomination Board. The Board of Directors

Nokian Tyres' regulatory framework for Corporate Governance

External framework	Internal framework
• Finnish Limited Liability Companies Act • Laws and regulations relating to publicly listed companies in Finland • Corporate Governance Code published by the Securities Market Association • Rules and regulations of the Nasdaq Helsinki, the European Securities and Markets Authority, and the Financial Supervisory Authority	• Articles of Association • Code of Conduct • Charters of the Board of Directors, the Committees and the Internal Audit • Nokian Tyres' policies, guidelines and instructions

Nokian Tyres' administrative organization



appoints the Company's President and CEO. The President and CEO is assisted by the Group's Management Team in leading the Company's operations.

General Meeting

Nokian Tyres' highest decision-making power is held by the General Meeting, whose tasks and procedures are outlined in the Finnish Limited Liability Companies Act and the Articles of Association. The Annual General Meeting decides, among others, the following matters:

- adoption of the Company's annual accounts
- profit distribution
- discharging the Board of Directors and the President and CEO from liability
- number of members in the Board of Directors, the election of the Board members, the Auditor and the Sustainability Reporting Assurance Provider, and their remuneration
- amendments to the Articles of Association, share issues, and acquisition of the Company's own shares
- adoption of the Remuneration Policy at least every four years and the Remuneration Report annually. Resolutions of the General Meeting regarding the Remuneration Policy and the Remuneration Report are advisory.

The Annual General Meeting is held by the end of May each year on a date determined by the Board of Directors, either in Nokia, Tampere, Helsinki or virtually without a physical meeting venue. In virtual meetings, shareholders may exercise their full decision-making power, including the right to present questions and to vote, by using remote connection and technical means.

An Extraordinary General Meeting is called whenever the Board of Directors considers this to be necessary or if an Auditor or a group of shareholders with a holding of at least one-tenth of all the shares in the Company requires the meeting in writing to address a particular issue.

A shareholder may request the General Meeting to discuss a specific issue falling within the competence of the General Meeting, provided that a written request is submitted to the Board of Directors before the deadline posted on Nokian Tyres' website for submitting such requests. In 2025, this date was March 6, 2025. No requests were submitted by the shareholders.

Notice of a General Meeting is published as a stock exchange release and on the Company's website. The notice sets out the agenda of the meeting.

Nokian Tyres' Articles of Association are available on the Company's website at **company.nokiantyres.com/investors/corporate-governance/articles-of-association**.

Shareholders are entitled to participate in the General Meeting if they are registered in the Company's shareholders' register, maintained by Euroclear Finland Ltd, on the record date separately indicated by the Company. A holder of nominee registered shares can be temporarily registered in the shareholders' register of the Company for purposes of participation in the General Meeting.

The following persons are usually present at the Annual General Meeting:

- the Board of Directors: the Chair of the Board, Board members and Board member candidates
- the President and CEO and members of the Group's Management Team
- the Auditor and the Sustainability Reporting Assurance Provider

The Annual General Meeting 2025 was held on May 7, 2025 in Helsinki, Finland.

Shareholders registered for the meeting were also able to follow the meeting through a webcast.

More information on the Annual General Meeting 2025 and previous meetings are available on the Company's website at **company.nokiantyres.com/investors/corporate-governance/annual-general-meeting**.

Shareholders' Nomination Board

Nokian Tyres' Shareholders' Nomination Board (Nomination Board) was established by the decision of the Annual General Meeting in 2020. According to the Charter of the Nomination Board, the duties of the Nomination Board consist of:

- preparing proposals to be presented at the General Meeting concerning the number of members, composition, Chair and possible Deputy Chair of the Board of Directors
- preparing proposals to be presented at the General Meeting for remuneration of the members of the Board of Directors and the Board Committees
- seeking prospective successor candidates for the members of the Board of Directors

The Nomination Board consists of the representatives of Nokian Tyres' four largest shareholders, registered in Euroclear Finland Ltd. on the first banking day of June, who accept the assignment. In addition, the Chair of the Board of Directors is a member of the Nomination Board. The Nomination Board gives its proposal to the Board of Directors annually no later than January 31 preceding the next Annual General Meeting.

The members of the Nomination Board are not entitled to remuneration from the Company unless otherwise decided by the General Meeting.

The following members were appointed to the Nomination Board in 2025:

- Mr. Petter Söderström (Investment Director, Solidium Oy), appointed by Solidium Oy
- Mr. Mikko Mursula (President and CEO, Ilmarinen Mutual Pension Insurance Company), appointed by Ilmarinen Mutual Pension Insurance Company
- Mr. Timo Sallinen (Director, Head of Listed Securities, Varma Mutual Pension Insurance Company), appointed by Varma Mutual Pension Insurance Company
- Mrs. Jonna Ryhänen (Chief Investment Officer and Deputy CEO, Elo Mutual Pension Insurance Company), appointed by Elo Mutual Pension Insurance Company
- Mr. Jukka Hienonen, Chair of the Board of Directors, Nokian Tyres plc

The proposals by the Nomination Board were published on January 9, 2026. The Nomination Board had five meetings. The members' attendance rate was 100 percent. The Nomination Board had four male and one female member.

The Charter of the Nomination Board is available at **company.nokiantyres.com/Investors/corporate governance/Shareholders' nomination board/charter**.

Board of Directors

Operation of the Board of Directors

The Board of Directors is responsible for Nokian Tyres' corporate governance and the appropriate organization of its operations pursuant to the Finnish Limited Liability Companies Act and other applicable regulations. The Board of Directors holds general authority in company-related issues, unless other Company bodies have the authority under the applicable legislation or the Articles of Association. The policies and key duties of the Board of Directors are defined in the Finnish Limited Liability Companies Act, the Articles of Association, and the Board of Directors' Charter. The key duties include:

- approving Consolidated Financial Statements, Half Year Reports and Interim Reports
- presenting matters to the General Meeting
- appointing and dismissing the President and CEO
- organizing of financial control

In addition, the Board of Directors reviews and decides on matters of principle as well as issues that carry financial, business and sustainability significance, such as:

- the Group's strategy and financial objectives
- the Group's budget, and investment plans
- the Group's risk management and reporting procedures
- decisions concerning the structure and organization of the Group
- significant individual investments, acquisitions, divestments, and reorganizations
- the Group's financing policies
- reward and incentive schemes for the Group's management
- monitoring compliance with the applicable legal and regulatory requirements and the corporate policies, such as Code of Conduct, approved by the Board of Directors
- appointing Board Committees
- monitoring and evaluating the actions of the President and CEO

The President and CEO ensures that the Board of Directors have the necessary and sufficient information on the Company's operations. The Board of Directors assesses its activities and operating methods by carrying out a self-evaluation once a year.

Composition of the Board of Directors

According to the Articles of Association of Nokian Tyres, the Board of Directors comprises no fewer than four and no more than nine members. The Nomination Board formulates proposals regarding the composition and remuneration of the Board of Directors to be presented at the General Meeting. The number of members and the structure of the Board of Directors must facilitate effective governance, taking into account the operational requirements and developmental phase of the Company. The elected Board members must be qualified for the task and able to commit sufficient time to their board duties.

Members of the Board of Directors are elected at the Annual General Meeting for a one-year term of office that begins after the closing of the Annual General Meeting and ends at the closing of the next Annual General Meeting. In 2025, the Annual General Meeting elected eight Board members and appointed the Chair and the Deputy Chair of the Board of Directors upon the proposal by the Nomination Board.

On August 29, 2025, Christopher Ostrander announced his resignation from the Board of Directors due to his appointment as SVP, Passenger Car Tyres, North America and a member of the Group Management Team as of September 1, 2025. After this, the Board of Directors comprised seven members.

Board of Directors December 31, 2025

Jukka Hienonen
Chair of the Board
b. 1961, male
Member of the Board since 2020
Member of the People and Sustainability Committee
Member of the Investment Committee
Member of the Shareholders' Nomination Board

Education: Master of Science (Economics)
Main occupation: Professional board member
Key positions of trust: -
Shareholdings: 59,625*

Elina Björklund
Deputy Chair of the Board
b. 1970, female
Member of the Board since 2024
Chair of the People and Sustainability Committee
Member of the Investment Committee

Education: M.Sc. (Econ), IDBM pro (International Design Business Management -program)
Main occupation: Chair of the Board: Reima Group
Key positions of trust: Chair of the Board: Reima Group Ltd., Helsinki School of Economics Support Foundation and Corporate Advisory Board. Member of the Board: Taaleri Plc (Member of the Remuneration Committee), Urlus Foundation (Deputy Chair). Member of the commission: LSR Foundation of Economic Education Foundation, EVA Finnish Business and Policy Forum.
Shareholdings: 8,740*

Susanne Hahn
b. 1976, female
Member of the Board since 2022
Member of the People and Sustainability Committee

Education: University Diploma of Economics
Main occupation: Founding and Managing Partner (CEO): SKV Invest & affiliates
Key positions of trust: Member/Director of the Board: Klingele Paper & Packaging SE & Co KG, HyperPark Ltd., ENPERIUM GmbH, Zefyron GmbH, SENTImotion GmbH, MegaLion Europe GmbH, MegaLion Equity AG, MaxifyIP GmbH, CIDA GmbH, Green Tech Hub GmbH and Invest BW — Innovation & Investment funding program of the state of Baden-Württemberg
Shareholdings: 17,180*

Markus Korsten
b. 1970, male
Member of the Board since 2023
Chair of the Investment Committee

Education: Study of Applied Physics, Dipl. Ing. (FH)
Main occupation: Co-Founder and CEO: MegaLion Europe GmbH
Founding and Managing Partner: Enperium GmbH
Key positions of trust: Member of the Board: Zefyron GmbH
Senior Investment Advisor: Longrun Capital AB
Shareholdings: 9,338*

*Including own holdings and controlled entities.

Elisa Markula
b. 1966, female
Member of the Board since 2024
Member of the Audit Committee

Education: Master of Science (Economics)
Main occupation: CEO: VR-Group Plc
Key positions of trust:
Member of the Board: Finland Chamber of Commerce (Deputy Chair), Service Sector Employers Palta (Member of the Executive Committee). Member of the Supervisory Board: Varma Mutual Pension Insurance Company
Shareholdings: 9,152*

Antti Mäkinen
b. 1961, male
Member of the Board since 2025
Member of the Audit Committee

Education: Master of Laws
Main occupation: Board professional
Key positions of trust:
Chair of the Board: Sampo plc
(Chair of the Nomination and Remuneration Committee)
Shareholdings: 3,501*

Jouko Pölönen
b. 1970, male
Member of the Board since 2021
Chair of the Audit Committee

Education: M.Sc. (Econ & Bus. Adm.), Authorized Public Accountant, eMBA
Main occupation: CEO: eQ Plc
Key positions of trust:
Chair of the Board: eQ Fund Management company Ltd., The Finnish Foundation for Share Promotion. Member of the Board: eQ Asset Management Ltd., Excellence Finland.
Shareholdings: 42,430*

*Including own holdings and controlled entities.

More detailed information, including CV's of the Board members, is available on the Company's website at **company.nokiantyres.com/investors/corporate-governance/board-of-directors/**

Independence of the members of the Board of Directors

At its organizing meeting, all elected Board members were assessed by the Board of Directors to be independent of the Company and of the significant shareholders, however, Antti Mäkinen is deemed independent of Solidium Oy starting from June 1, 2025.

The Board of Directors meetings and attendance

In 2025, the Board of Directors, among others, ensured the successful onboarding of the new President and CEO into the Company's operations, reviewed Research and development operations, product testing and material development, closely monitored the Company's financial performance and operational efficiency, and oversaw the process for reviewing the Company's strategy and long-term financial targets.

The Board of Directors convened a total of 11 times in 2025.

Member of the Board	Number of meetings	Meeting attendance %
Jukka Hienonen (Chair)	11/11	100%
Pekka Vauramo (Deputy Chair until*)	3/4	75%
Elina Björklund (Deputy Chair since*)	11/11	100%
Susanne Hahn	11/11	100%
Markus Korsten	11/11	100%
Elisa Markula	11/11	100%
Antti Mäkinen (Member since*)	7/7	100%
Christopher Ostrander (Member until**)	7/7	100%
Jouko Pölönen	11/11	100%
Reima Rytsölä (Member until*)	4/4	100%

*May 7, 2025
**August 29, 2025

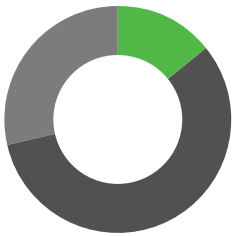
Diversity of the Board of Directors

Nokian Tyres sees diversity as a success factor enabling the achievement of the Company's strategic goals and business growth. In practice, diversity includes factors such as complementary expertise of the members, their education and experience in different professional areas and industrial sectors in which the Group mainly operates, age, nationality and balanced gender diversity. Leadership experience and personal competencies are also considered in the composition of the Board of Directors. These objectives can be achieved with thorough and early preparation when considering the Board composition.

The members of the Board of Directors have relevant experience in the following: CEO experience, tire industry, consumer goods industry, international experience especially in the Nordic, Central European and North American markets, financing, corporate risk management, and corporate governance. The Nomination Board considers the particular diversity requirements that are relevant to the company's current and future needs. The objectives regarding diversity are considered to be met in sufficient quantity.

The principles concerning the election of the Board of Directors and its diversity are available on the Company's website at **company.nokiantyres.com/investors/corporate-governance/board-of-directors**.

Age



- 40–49, 1
- 50–59, 4
- 60–69, 2

Tenure

- 1 year, 1
- 2–3 years, 3
- 4–5 years, 2
- 6–7 years, 1

Gender

- Female, 3 (43%)
- Male, 4 (57%)

Nationality

- Finland, 5
- Germany, 2

Information in the graphs reflect the composition of the Board on December 31, 2025.

Committees of the Board of Directors

The Board of Directors will decide on the committees and their chairs and members each year. In 2025, the Board of Directors had three committees: Audit Committee, People and Sustainability Committee and Investment Committee.

Each committee must include no fewer than three members having the competence and expertise necessary for working on the committee. At least one member of the Audit Committee must have expertise in accounting or auditing. The majority of the members of the Audit Committee must be independent of the Company, and at least one member must be independent of the Company's major shareholders. The majority of the members of the People and Sustainability Committee must be independent of the Company. The President and CEO and the other members of the Group's Management Team may not act as members of the Audit Committee or the People and Sustainability Committee. The committees have no independent decision-making power; collective decisions are made by the Board of Directors, which is responsible for carrying out the tasks assigned to the committees.

Audit Committee

The Audit Committee assists the Board of Directors in its regulatory duties and reports to the Board of Directors. According to the Committee Charter, the Audit Committee

- monitors that the Company's accounting, financial administration, financing, internal control, internal audit, information security, statutory audit, risk management and compliance function are properly organized
- follows and assesses the financial reporting process and significant changes in accounting principles as well as items valued in the Balance Sheet
- reviews the Corporate Governance Statement
- monitors the statutory audit of the Financial Statement and the Consolidated Financial Statements and assesses the independence of the statutory Auditor and the non-audit or assurance services provided by the Auditor
- reviews the Auditor's Report and audit minutes (if any) as well as the supplementary report presented by the Auditor to the Audit Committee
- prepares the proposal for the selection of the Auditor to be submitted to the General Meeting
- monitors and assesses whether agreements and other legal acts between the Company and its related parties comply with ordinary business practices and arm's length terms in accordance with applicable laws and regulations

As a general rule, the Company's Principal Auditor participates in Audit Committee's meetings.

Audit Committee members, meetings and attendance in 2025

Members of the Audit Committee	Number of meetings	Meeting attendance %
Jouko Pölönen (Chair)	5/5	100%
Elisa Markula	5/5	100%
Antti Mäkinen (Member since*)	3/3	100%
Reima Rytsölä (Member until*)	2/2	100%

*May 7, 2025

People and Sustainability Committee

The main duties and working principles of the People and Sustainability Committee are defined in a written charter and they include:

- preparing a proposal to the Board of Directors for the appointment and remuneration of the President and CEO
- preparing a proposal to the Board of Directors for the appointment and remuneration of the Group's Management Team members
- succession planning for the President and CEO
- reviewing and submitting a proposal to the Board of Directors on the allocation and criteria of the Nokian Tyres share-based incentive plans and on the other incentive plans
- reviewing the Remuneration Policy and the Remuneration Report
- preparing sustainability issues for the Board of Directors and monitoring developments in the operating environment and regulation relating to sustainability
- reviewing the Sustainability Statement
- preparing the proposal for election of the Sustainability Reporting Assurance Provider to be submitted to the Annual General Meeting
- ensuring that assurance of sustainability reporting is appropriately organized, monitoring assurance of the Sustainability Statement, reviewing the Assurance Report on the Sustainability Statement and discussing the key issues raised in the assurance with the Sustainability Reporting Assurance Provider

People and Sustainability Committee members, meetings and attendance in 2025

Members of the People and Sustainability Committee	Number of meetings	Meeting attendance %
Elina Björklund (Chair)	7/7	100%
Susanne Hahn	7/7	100%
Jukka Hienonen	7/7	100%

Investment Committee

The Investment Committee focuses on the Company's strategic investments to ensure that they maximize shareholder value. According to the Committee Charter, the Committee has the following responsibilities:

- guide, oversee, and review the performance of the Company's strategic investment options
- review and provide input on the Company's strategic investment options before presentation to the Board of Directors
- work with Management to identify potential strategic targets for mergers and acquisitions
- evaluate, review, and make recommendations with respect to other related matters failing within the duties of the Investment Committee

Investment Committee members, meetings and attendance in 2025

Members of the Investment Committee	Number of meetings	Meeting attendance %
Christopher Ostrander (Chair until*)	2/2	100%
Markus Korsten (Chair since*)	3/3	100%
Elina Björklund (Member since*)	1/1	100%
Jukka Hienonen (Member since**)	1/2	50%
Pekka Vauramo (Member until**)	0/1	0%

*August 29, 2025
**May 7, 2025

President and CEO

The President and CEO is responsible for

- conducting the Group's business and managing the Company operations in accordance with the Finnish Limited Liability Companies Act and the instructions and guidelines provided by the Board of Directors
- preparing the Group´s strategy and objectives for the Board of Directors
- informing the Board of Directors regarding the development of the Company's business and financial situation
- implementing the approved strategy and plans
- ensuring the legal compliance of the Company's bookkeeping
- arranging reliable asset management

Paolo Pompei started in the position on January 1, 2025.

Paolo Pompei

b. 1971, male
Education: Degree in Economics with a M.Sc. in International Trade
Position: President and CEO

Key experience:
2023–2024 Yokohama TWS, President and CEO
2017–2023 Trelleborg Wheel Systems, President
2006–2017 Trelleborg Wheel Systems, Business Unit Agricultural tires, President
1999–2005 Trelleborg Wheel Systems, several positions
1997–1999 Pirelli UK LTD

Key positions of trust:
Tyres Europe (former ETRMA), Vice-President of the Board of Directors 10/2025–
ETRMA, Member of the Board of Directors 2017–10/2025

Management Team

The Group's Management Team supports the President and CEO in preparing the Company's strategy and in operative management. Members of the Management Team carry the main responsibility for their business areas and functions. The Management Team has no activities based on the applicable legislation or the Articles of Association. According to the Group's meeting practices, the Management Team assembles approximately 12 times per year.

Management Team December 31, 2025

Paolo Pompei
b. 1971, male
President and CEO
Education: Degree in Economics with a M.Sc. in International Trade
Shareholdings: 11,674*

Tommi Alhola
b. 1971, male
Passenger Car Tyres, Central Europe
Education: MBA, Bachelor of Business Information Technology
Shareholdings: 1,451*

Elisa Erkkilä
b. 1967, female
Legal and Compliance
Education: Master of Laws, Trained on the Bench, Master of Comparative Laws
Shareholdings: 0*

Tron Gulbrandsen
b. 1976, male
Passenger Car Tyres, Nordics, and Heavy Tyres (interim)
Education: Bachelor's Degree, International Marketing
Shareholdings: 0*

Lauri Halme
b. 1975, male
Vianor
Education: Master of Science (Technology), Master of Science (Economy)
Shareholdings: 1,765*

Jari Huuhtanen
b. 1974, male
Finance, Interim CFO
Education: Master of Science (Economics)
Shareholdings: 1,643*

Adrian Kaczmarczyk
b. 1971, male
Operations
Education: Dipl. Ing. Engineering, MBA
Shareholdings: 3,420*

Jukka Kasi
b. 1966, male
Products and Innovations
Education: Master of Science (Technology)
Shareholdings: 48,616*

Päivi Leskinen
b. 1965, female
Human Resources
Education: Master of Social Sciences
Shareholdings: 1,182*

Christopher Ostrander
b. 1968, male
Passenger Car Tyres, North America
Education: B.Sc. (Mechanical Engineering); M.Sc. (Engineering Management); MBA
Shareholdings: 13,400*

*Including own holdings and controlled entities.

More detailed information concerning the Management Team is available on the Company's website at company.nokiantyres.com/investors/corporate-governance/group-management-team.

III Descriptions of mechanisms of internal control and risk management

Internal control

The principles of internal control are designed to ensure that the Company's objectives - for example, those related to strategy, operations, practices, and especially financial and sustainability reporting - are achieved. These principles also help ensure compliance with laws and regulations within the Company.

The purpose of the Group's internal control mechanisms related to financial and sustainability reporting is to ensure that all published reports are prepared according to the Company's accounting rules, other relevant principles, and sustainability standards. The goal is to provide a materially accurate, reliable, and precise picture of the Group's financial standing and sustainability performance.

Nokian Tyres has defined group-level policies and instructions for the Group's operative business units in order to ensure efficient and profitable Company operations. Internal controls are specific mechanisms to manage and mitigate risks.

The Board of Directors is responsible for ensuring the functionality of internal control mechanisms, which are overseen by the Company's management and implemented throughout the organization. Internal control is an integral part of all Group activities at every level. Nokian Tyres' operative management holds the primary responsibility for operational control. Each supervisor is required to maintain adequate oversight of the activities within their area of responsibility and to continuously monitor the effectiveness of control mechanisms. The Chief Financial Officer (CFO) is responsible for organizing financial administration, reporting processes, and related internal controls. The Group's Finance function manages both internal and external accounting; its duties include producing financial information for various areas and ensuring its accuracy.

The preparation process for the Consolidated Financial Statements (IFRS), along with related control measures, task descriptions, and areas of responsibility within the reporting process, is clearly defined. Finance is responsible for preparing consolidated financial statements and provides information for both the Group as a whole and its different areas. Each legal entity within the Group prepares its own financial information in compliance with the instructions provided and local legislation. The Group's Finance function is centrally responsible for interpreting and applying financial and ESRS standards, as well as for monitoring compliance with these standards.

Effective internal control requires sufficient, timely, and reliable information to enable the Company's management to monitor the achievement of targets and the efficiency of control mechanisms. This encompasses financial and sustainability information, as well as other data received through IT systems and internal or external channels. Instructions regarding financial administration and other relevant matters are available on the Company's intranet, and training is provided to personnel as needed. Communication with business units is continuous. The Company's financial performance is monitored internally through monthly reports and updated forecasts. Financial results are communicated to Company personnel immediately after the stock exchange releases are published.

Investor relations and communications

The purpose of Nokian Tyres' Investor Relations is to regularly provide the stock market with essential, accurate, sufficient, and up-to-date information. This information helps determine the value of the company's shares. The operations are based on the principles of equality, openness, and accuracy. More detailed information concerning the IR and communication principles is available on the Company's website at **company.nokiantyres.com/investors/investor-relations/ir-principles/**.

Risk management

The purpose of the Enterprise Risk Management (ERM) is to ensure that Nokian Tyres' management and the Board of Directors have sufficient information in decision making, both in strategy-setting and performance-driving, of risks that could have impact on creating, preserving, and realizing value of Nokian Tyres Group. The ERM provides a structured framework to proactively manage risks, protect reputation and business continuity, and enhance decision-making processes. Its holistic approach considers both financial and non-financial risks.

The Enterprise Risk Management Policy, approved by the Board of Directors, defines the framework for ERM and promotes risk awareness and proper management of risks in the Group. The management of financial risks is defined in the Treasury Policy approved by the Board of Directors.

The Group ERM framework is organized into five interrelated components:

- Governance and Culture
- Strategy and Objective-Setting
- Performance and Risk Assessment
- Review and Revision
- Information, Communication and Reporting

Nokian Tyres' Board of Directors, assisted by the Audit Committee, oversees the Group's overall enterprise risk management, provides oversight of the strategy, and carries out governance responsibilities to support management in achieving strategy and business objectives under the direction of the Board of Directors.

The President and CEO and the Group's Management Team hold overall responsibility for the risk management in the Group. The ERM is not a separate function but integrated into existing business processes and practices at all levels of the

organization. Each Business Unit, Business Area and function is responsible for maintaining sufficient and systematic risk assessment and reporting on the own responsibility area. The line management is operationally accountable for managing the most relevant risks as part of its daily activities, and each employee is encouraged to identify, report and manage the risks within their area of responsibility.

Treasury and Risk Management in Finance coordinates the overall ERM framework and process, supports businesses and functions in implementation and performs specified risk management tasks e.g. the Group risk review. Treasury and Risk Management is responsible for improving and maintaining the methods, tools, and reporting associated with the ERM.

The ERM is part of the general management and internal control system. The integrated management system complies with the requirements of international standards. The Nokian Tyres Group ERM framework is based on the COSO framework and SFS-ISO 31000 standard and the Code for listed companies. All factories are certified to ISO 9001 (quality) and ISO 14001 (environment), and the tire factories in Finland and the US are certified to ISO 45001 (safety) standards. The Group is committed to the UN Global Compact framework for responsible and sustainable business practices. An outsourced Internal Audit reports to the Board of Directors and provides independent assurance on the effectiveness of risk management and compliance processes.

The most significant risks and uncertainties known to the Company are described in the Report by the Board of Directors. The Sustainability Statement describes sustainability-related risks and uncertainties known to the Company.

IV Other information provided

Internal audit

Nokian Tyres' Internal Audit systematically carries out assessments and audits on the efficiency of risk management, internal control, and corporate governance processes. Internal Audit is an independent and objective assurance function aimed at helping the organization achieve its goals. The principles for Internal Audit have been confirmed in the Internal Audit Charter and Policy, approved by the Board of Directors.

The Nokian Tyres Group's Internal Audit is outsourced. The Internal Audit team reports administratively to CFO and functionally to the Audit Committee. Each year, the Audit Committee approves the focus areas for Internal Audit.

The operation of Internal Audit covers all business activities, functions and processes within the Nokian Tyres Group. The audit assignments are based on the key strategic focus areas of the Company's operations and the associated risks. The audit findings, recommendations and action plans are presented to the Audit Committee, after which the implementation of the action plans is continuously monitored.

In 2025, Internal Audit carried out audits in accordance with its audit plan, both at the factories and in relation to the functions and processes of the business areas. Internal Audit has also collaborated with Legal & Compliance and other assurance functions in Nokian Tyres.

Related party transactions

Nokian Tyres identifies and monitors its related parties in accordance with the International Accounting Standards (IAS 24, Related Party Disclosures) and other applicable regulations, and discloses the required information on related party transactions in the notes to the consolidated Financial Statements, included in the Annual Report.

The Company has procedures in place to identify its related parties. The Company evaluates and monitors transactions with related party to ensure that all conflicts of interest are recognized and that the Company's decision-making is compliant with applicable laws.

The Company's Finance function monitors and supervises related party transactions as part of the Company's normal reporting and monitoring procedures and reports to the Audit Committee on regular basis. The Audit Committee monitors and evaluates that related party transactions are entered into in the ordinary course of business and concluded on customary market terms. If the Company were to engage in transactions that do not fall within its ordinary course of business or in which the terms are not consistent with those applied between independent parties, such transactions would need to be reviewed by the Audit Committee and approved by the Board of Directors.

Insider management

Nokian Tyres complies with the EU Market Abuse Regulation (MAR) and the guidelines for insider trading drawn up by Nasdaq Helsinki Ltd. Furthermore, the Company has drawn up separate Insider Policy, approved by the Board of Directors, that complements other insider regulations and provides guidance regarding insider administration.

Nokian Tyres does not maintain a permanent insider register. Insiders are identified on a case-by-case basis and added to project-specific insider lists. Individuals in possession of insider information are not allowed to trade in Nokian Tyres' financial instruments until the insider project has expired, or it has been published. Individuals who are added to a project-specific insider list are informed when they are included on the list, what responsibilities this entails, and when the insider project ends.

Nokian Tyres maintains a separate list of persons discharging managerial responsibilities and their closely associated persons. In 2025, these persons were the members of the Board of Directors, the President and CEO, and the CFO.

Persons discharging managerial responsibilities in the Company are allowed to trade with Nokian Tyres' financial instruments only for a period of 30 days after the publication day of the Company's Financial Statement Report, Half Year Report, or Interim Report. The same applies also to the members of the Group's Management Team and persons who participate in the preparation, maintaining, and/or publication of the Company's financial reports. The said trading restriction also applies to persons who process financial reporting and forecasts of the Nokian Tyres Group.

Nokian Tyres' General Counsel is responsible for the management of insider matters in the Company and the related communication (trading restrictions, notification and publication of management transactions).

Whistleblowing

The Company has had a whistleblowing channel available since 2011. Employees and third parties can report any suspected misconduct, any suspected violations of the Company's Code of Conduct or other policies or guidelines through a web-based channel managed by an external service provider.

Nokian Tyres' Whistleblowing Policy defines the purpose and scope of the whistleblowing channel and the principles and processes governing the review and investigation of reports. All messages received through the channel are processed confidentially and are encrypted. Anonymous reports are allowed. Nokian Tyres tolerates no retaliation against the reporter.

Nokian Tyres' Whistleblowing Committee was formed in 2019 to guide and monitor the activities relating to the whistleblowing channel. All material issues will be reported to the Audit Committee at least once a year.

Audit

The Auditor has an important role as a controlling body appointed by the shareholders. The audit ensures the accuracy and transparency of the company's financial reporting and supports shareholders' oversight of the governance practices. The Auditor reports all audit findings to the Group's management.

During the financial year 2025, the Company's Auditor and Sustainability Reporting Assurance Provider was authorized public accountant firm Ernst & Young Oy with Mikko Järventausta APA, ASA acting as the Principal Auditor and Sustainability Auditor.

The following table presents fees by type paid for the years ended December 31:

Fees by type paid, EUR	2025	2024
Audit services	**1,011,369**	1,034,000
Sustainability reporting assurance services	**148,510**	88,400
Other services	**12,790**	70,000
Total	**1,172,669**	1,192,400

FINANCIAL STATEMENTS

Consolidated financial statements	156
Parent company financial statements	206
Signatures and the auditor's note	217
Auditor's report	218
ESEF Assurance report	222
Assurance report on the sustainability statement	224
Information on Nokian Tyres' share	226
Nokian Tyres' Group structure	227

THE COLDEST TEMPERATURE RECORDED IN ITALY AT BUSA NORD DI FRADUSTA IN THE DOLOMITES

-49.6 °C

Consolidated income statement, IFRS

EUR million	Note	2025	2024
Net sales	1	**1,373.6**	1,289.8
Cost of sales	3, 7, 8	**-1,092.3**	-1,056.0
Gross profit		**281.4**	233.8
Other operating income	4	**2.2**	2.4
Selling, marketing and R&D expenses	7, 8	**-163.5**	-157.6
Administration expenses	6, 7, 8	**-82.4**	-75.9
Other operating expenses	5, 7, 8	**-1.8**	-1.0
Operating profit		**35.8**	1.8
Financial income	9	**48.7**	37.0
Financial expenses	10	**-100.4**	-70.2
Result before tax		**-15.9**	-31.5
Tax expense	11	**0.9**	8.7
Result for the period		**-15.0**	-22.8
Attributable to:			
Equity holders of the parent		**-15.0**	-22.8
Earnings per share (EPS) for the profit attributable to the equity holders of the parent:	12		
Basic, euros		**-0.11**	-0.17
Diluted, euros		**-0.11**	-0.17

EUR million	Note	2025	2024
Consolidated statement of comprehensive income			
Result for the period		**-15.0**	-22.8
Other comprehensive income, items that may be reclassified subsequently to profit and loss, net of tax			
Cash flow hedges	11	**4.5**	-0.8
Translation differences on foreign operations[1]		**-64.7**	27.0
Total other comprehensive income for the period, net of tax		**-60.1**	26.2
Total comprehensive income for the period		**-75.1**	3.3
Total comprehensive income attributable to:			
Equity holders of the parent		**-75.1**	3.3

[1] Since of this year the Group has internal loans that are recognized as net investments in foreign operations in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates.

Consolidated statement of financial position, IFRS

EUR million	Note	2025	2024
Assets			
Non-current assets			
Property, plant and equipment	13	**1,148.6**	1,176.8
Right of use assets	15	**108.6**	124.5
Goodwill	14	**62.0**	61.5
Other intangible assets	14	**23.8**	16.7
Investments in associates	17	**0.1**	0.1
Non-current financial investments	17	**2.8**	3.1
Other receivables	16, 18	**27.4**	21.0
Deferred tax assets	19	**60.4**	54.8
		1,433.7	1,458.4
Current assets			
Inventories	20	**425.4**	452.1
Trade and other receivables	21, 29	**300.5**	332.8
Current tax assets		**7.3**	4.4
Cash and cash equivalents	22	**146.9**	176.1
		880.1	965.3
Total assets	1	**2,313.8**	2,423.7

Changes in net working capital arising from operative business are partly covered by EUR 500 million domestic commercial paper program.

Interest-bearing liabilities include EUR 73.7 million of non-current and EUR 40.3 million of current lease liabilities.

EUR million	Note	2025	2024
Equity and liabilitites			
Equity attributable to equity holders of the parent	23, 24		
Share capital		**25.4**	25.4
Share premium		**181.4**	181.4
Treasury shares		**-16.4**	-16.6
Translation reserve		**-54.4**	10.3
Fair value and hedging reserves		**5.3**	0.8
Paid-up unrestricted equity reserve		**238.2**	238.2
Retained earnings		**784.6**	832.9
		1,164.2	1,272.4
Total equity		**1,164.2**	1,272.4
Liabilities			
Non-current liabilities			
Deferred tax liabilities	19	**3.0**	3.7
Interest-bearing liabilities	27, 29	**718.2**	741.9
Other liabilities		**4.6**	1.2
		725.9	746.8
Current liabilities			
Trade and other payables	28	**324.4**	347.8
Current tax liabilities		**5.0**	7.8
Provisions	26	**1.6**	1.6
Interest-bearing liabilities	27, 29	**92.7**	47.3
		423.7	404.5
Total liabilities	1	**1,149.5**	1,151.3
Total equity and liabilities		**2,313.8**	2,423.7

Consolidated statement of cash flows, IFRS

EUR million	Note	2025	2024
Result for the period		**-15.0**	-22.8
Adjustments for			
Depreciation, amortization and impairment	7	**142.2**	124.2
Financial income and expenses	9, 10	**51.8**	33.3
Gains and losses on sale of intangible assets, other changes		**3.1**	-1.1
Income taxes	11	**-0.9**	-8.7
Cash flow before changes in working capital		**181.2**	124.9
Changes in working capital			
Current receivables, non-interest-bearing, increase (-) / decrease (+)		**24.2**	-63.8
Inventories, increase (-) / decrease (+)		**6.6**	16.2
Current liabilities, non-interest-bearing, increase (+) / decrease (-)		**-13.6**	33.9
Changes in working capital		**17.2**	-13.6
Financial items and taxes			
Interest and other financial items, received		**2.6**	7.6
Interest and other financial items, paid		**-42.7**	-36.3
Income taxes paid		**-12.1**	-5.2
Financial items and taxes		**-52.3**	-33.9
Cash flow from operating activities (A)		**146.2**	77.4

EUR million	Note	2025	2024
Cash flows from investing activities			
Acquisitions of property, plant and equipment and intangible assets	13, 14	**-159.5**	-350.1
Proceeds from sale of property, plant and equipment and intangible assets		**1.0**	0.8
Other cash flow from investing activities		**32.6**	0.0
Cash flows from investing activities (B)		**-125.9**	-349.3
Cash flow from financing activities:			
Purchase of treasury shares	23	**0.0**	0.0
Change in current financial receivables, increase (-) / decrease (+)		**2.8**	0.0
Change in current financial borrowings, increase (+) / decrease (-)		**36.8**	-102.1
Proceeds from non-current financial borrowings		**0.3**	253.5
Payments of lease liabilities		**-50.1**	-46.0
Dividends received		**0.0**	0.0
Dividends paid		**-38.3**	-72.0
Cash flow from financing activities (C)		**-48.5**	33.5
Change in cash and cash equivalents, increase (+) / decrease (-) (A+B+C)		**-28.2**	-238.5
Cash and cash equivalents at the beginning of the period		**176.1**	414.9
Effect of exchange rate fluctuations on cash held		**-1.0**	-0.3
Cash and cash equivalents at the end of the period	22	**146.9**	176.1

Consolidated statement of changes in equity, IFRS

		Equity attributable to equity holders of the parent							
EUR million	**Note**	**Share capital**	**Share premium**	**Treasury shares**	**Translation reserve**	**Fair value and hedging reserves**	**Paid-up unrestricted equity reserve**	**Retained earnings**	**Total equity**
Equity, Jan 1, 2024		25.4	181.4	-16.7	-16.7	1.6	238.2	934.3	1,347.6
Result for the period								-22.8	-22.8
Other comprehensive income, net of tax:									
Cash flow hedges						-0.8			-0.8
Translation differences					27.0				27.0
Total comprehensive income for the period					27.0	-0.8		-22.8	3.3
Dividends paid	23							-75.8	-75.8
Acquisition of treasury shares									-
Share-based payments	24			0.1				-0.2	-0.1
Other changes	19							-2.5	-2.5
Total transactions with owners for the period				0.1				-78.5	-78.5
Equity, Dec 31, 2024		25.4	181.4	-16.6	10.3	0.8	238.2	832.9	1,272.4
Equity, Jan 1, 2025		**25.4**	**181.4**	**-16.6**	**10.3**	**0.8**	**238.2**	**832.9**	**1,272.4**
Result for the period								**-15.0**	**-15.0**
Other comprehensive income, net of tax:									
Cash flow hedges						**4.5**			**4.5**
Translation differences					**-64.7**				**-64.7**
Total comprehensive income for the period					**-64.7**	**4.5**		**-15.0**	**-75.1**
Dividends paid	23							**-34.5**	**-34.5**
Share-based payments	24			**0.2**				**1.9**	**2.1**
Other changes	19							**-0.8**	**-0.8**
Total transactions with owners for the period				**0.2**				**-33.3**	**-33.1**
Equity, Dec 31, 2025		**25.4**	**181.4**	**-16.4**	**-54.4**	**5.3**	**238.2**	**784.6**	**1,164.2**

Accounting policies for the consolidated financial statements

Basic information

Nokian Tyres plc is a Finnish public corporation founded in accordance with the Finnish laws and domiciled in the city of Nokia. The shares of Nokian Tyres plc have been quoted on Nasdaq Helsinki since 1995.

Nokian Tyres Group develops and manufactures summer, winter and all-season tires for passenger cars and vans as well as special tires for heavy machinery. The Group also manufactures retreading materials and retreads tires. The largest and most extensive tire retail chain in the Nordic countries, Vianor, is a part of the Group. The core business units in the Group are Passenger Car Tyres, Heavy Tyres, and Vianor.

The Board of Directors of Nokian Tyres plc has approved the financial statements for publication at its meeting on February 10, 2026. In accordance with the Finnish Limited Liability Companies Act, the shareholders can approve or reject the financial statements or make a decision on altering the financial statements in the Annual General Meeting arranged after its publication. A copy of the consolidated financial statements is available from the company's headquarters at Pirkkalaistie 7, 37100 Nokia and at **company.nokiantyres.com**.

Basis of preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards and in compliance with the IAS and IFRS standards as well as the SIC and IFRIC interpretations in force on December 31, 2025. The International Financial Reporting Standards refer to the standards and related interpretations to be applied within the Community as provided in the Finnish Accounting Act and the provisions issued on the basis of this Act, and in accordance with the procedure laid down in Regulation (EC) No. 1606/2002 of the European Parliament and of the Council on the application of international accounting standards. The notes to the consolidated financial statements comply with the Finnish accounting and corporate laws.

The information in the financial statements is presented in millions of euros and is prepared under the historical cost convention except as disclosed in the following accounting policies.

New and amended standards and interpretations (IAS 8.28)

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2025 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Lack of Exchangeability - Amendments to IAS 21

Standards that have been issued but that are not yet effective

The new and amended standards and interpretations relevant to the Group that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Presentation and Disclosure in Financial Statements – IFRS 18 (January 1, 2027)

The Group is currently assessing the impact of the amendments to determine the impact that they will have on the Group's accounting policy disclosures. The IFRS are under constant development. The Group will adopt each standard and interpretation on the effective date or from the beginning of the following financial period.

Use of estimates

The preparation of the consolidated financial statements in accordance with the IFRS standards requires the Group management to use estimates and assumptions that affect the amount of assets and liabilities shown in the statement of financial position at the time of preparation, the presentation of contingent assets and liabilities in the financial statements, and the amount of revenues and expenses during the reporting period. Estimates have been used when determining the number of items reported in the financial statements, measure assets (Notes 13,14,15), test goodwill and other assets for impairment (Note 14), and for the future use of deferred tax assets (Note 19). The estimates made in the context of the preparation of financial statements are based on the management's best judgment at the end of the reporting period. The realization of the estimates and assumptions is continuously monitored.

The Group follows the IFRS 16 standard's guidelines when determining lease periods. For lease contracts that have been defined as valid until further notice, an expected lease term pursuant to the management's judgment is applied. The determination of the expected lease term considers the financial impacts of any sanctions included in the lease contracts, such as sanctions related to the early termination of the contract. Options for extending and terminating the lease term have been considered when determining the length of the lease term, pursuant to the guidelines of the standard. The extension option is counted into the lease term if it is reasonably certain that the option will be used and, correspondingly, if it is reasonably certain that the option to terminate will not be used, the term covered by the option is counted into the lease term. Whenever a contract contains a lease component and a non-lease component, the Group separates the non-lease components, such as maintenance, services, etc. using the separate prices that are listed in the lease contracts or on the basis of an estimate. If the lease term is valid until further notice, the management's judgment will be applied and, accordingly, the contracts will be booked for three years.

The company's risks include strategic, operational, and financial risks. The key risks included in the estimates include the country risk as well as the risks related to the challenging tire pricing environment related to the development of raw material prices. The risks are regularly monitored and assessed as part of the risk management program. The most material risks are presented in Note 33.

By the time of the approval of the financial statements, the company is not aware of such major sources of estimation uncertainty at the end of the reporting period nor of such key assumptions concerning the future that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year except for what has been disclosed in Note 14.

Decisions based on management judgment

The management has exercised separate judgment as regards the recognition of the cloud service deployment costs, as was assessed in the meeting of the recognition criteria under the decision issued by IFRIC in spring 2021. The company's management estimates the completed and current cloud service contracts. The commissioning costs for cloud services will be recognised when the company is able to specify the recognised commodity and the commodity is under the company's control.

The material part of the company's sales consists of standard sales of goods between companies, where invoicing occurs with standard terms upon goods delivery, and which involves no substantial need for estimates. However, the company's management has exercised judgment when estimating the time when control over the product is transferred away from the company under reseller agreements.

The management has set climate goals for the company, which are taken into account in the preparation of the consolidated financial statements, for example in impairment testing and in depreciation times and accounting values of intangible and tangible fixed assets. The management follows the possible impacts of climate change to the risks and opportunities of the business focusing on i.a. product portfolio, purchase of raw-materials, energy, logistics and product development. Currently, these do not have a material impact on the preparation of the financial statements. Impairment tests for goodwill take into account i.e. possible changes in the product portfolio when the future cash flows are estimated.

During the 2022 fiscal year, the company announced that it will invest in new production capacity in Europe. The new factory was built in Romania in 2023–2025 and it is the industry's first carbon dioxide-free factory. The Group's climate work steering group supervises and monitors the progress of the Group's work aimed at reducing greenhouse gas emissions.

Principles of consolidation

The consolidated financial statements include the financial statements of the parent company Nokian Tyres plc as well as all the subsidiaries in which the Parent company owns, directly or indirectly, more than 50% of the voting rights or in which the Parent company otherwise exercises control. Control exists when the Group, through participation in an investee, is exposed or entitled to its variable returns and is able to affect the returns through exercising power over the investee.

Associated companies in which the Group has 20% to 50% of the voting rights and in which it exercises significant influence, but not control, have been consolidated using the equity method. If the Group's share of the associated company's losses exceeds its holding in the associated company, the carrying amount will be recorded in the statement of financial position at nil value. Losses in excess of that value will be ignored unless the Group has obligations toward the associated companies. Investments in associates include the carrying amount of the investment in an associated company according to the equity method, and any possible other non-current investments in the associated company, which are, in substance, part of a net investment in the associated company. The Group has no associated companies at the end of financial year 2025 or 2024.

A joint arrangement refers to a contractual undertaking, in which the Group has agreed to share control over material financial and business principles with one or more parties. A joint arrangement is either a joint operation or a joint venture. In a joint venture, the Group holds rights to the net assets of the arrangement, whereas in a joint operation, the Group holds rights to the assets and carries obligations on the liabilities of the arrangement. Nokianvirran Energia Oy is a joint operation as the parties share control according to a specific Mankala principle where the company is not intended to make profit while the parties have agreed to utilize the total output. Nokianvirran Energia Oy is accounted for as a Group company

using the proportionate consolidation method on each row according to the 32.3% shareholding.

The acquired subsidiaries have been consolidated using the acquisition method, according to which the acquired company's assets and liabilities are measured at fair value on the date of acquisition. The cost of goodwill is the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. Acquisition-related costs, except for the costs to issue debt or equity securities, are expensed. Possible contingent consideration is measured at fair value on the date of acquisition and is classified as a liability. Contingent consideration classified as a liability is measured at fair value on each reporting date and the following gain or loss is recognised in the income statement. Under IFRS, goodwill is not amortized but is rather tested annually for impairment. Subsidiaries acquired during the financial year have been consolidated from the acquisition date and those divested until the divestment date.

All internal transactions, receivables, liabilities, and unrealized margins as well as the distribution of profits within the Group are eliminated while preparing the consolidated financial statements.

Foreign currency items

Transactions in foreign currencies have been recorded at the exchange rates effective on the transaction date. In the statement of financial position, all items in foreign currencies unsettled on the reporting date are measured at the European Central Bank's closing exchange rate. The quotations of the relevant central bank are applied if the European Central Bank does not quote a specific currency. Foreign exchange gains and losses related to business operations and financing activities have been recorded under financial income and expenses.

Foreign Group companies

The statements of the financial position of foreign subsidiaries have been converted into euros using the European Central Bank's closing rates, and the monthly income statements use the average rate for the period. The translation differences arising from the subsidiaries' income statements and statements of financial position have been recorded under other comprehensive income and in the translation reserve within equity as a separate item. The translation differences arising from the elimination of foreign company acquisition cost and from the profits and losses incurred after the acquisition have been recorded under other comprehensive income as a separate item and in the translation reserve within equity. If the settlement of a loan to a foreign operation is neither planned nor likely to occur in the foreseeable future, then the loan is considered as a net investment in a foreign operation and the foreign exchange gains and losses arising on the item are recognised in other comprehensive income and accumulated in the translation reserve in equity.

When a subsidiary is divested fully or in part, the related accumulated translation differences are brought from equity to the income statement and entered as a gain or loss on the sale.

Operating result

The Group has defined operating result as follows: operating result is the net sum of net sales plus other operating income less the cost of sales, selling, marketing and R&D expenses, administration expenses, and other operating expenses. Operating result does not include exchange rate gains or losses. When the operating result is positive, the term operating profit can be used.

Notes to the consolidated financial statements

1. Net sales and operating segments

Accounting policies

Revenue recognition
The Nokian Tyres Group develops and manufactures summer, winter and all-season tires for passenger cars and delivery vehicles as well as special tires for heavy machinery. The Group includes the tire retail chain Vianor. The Group manufactures retreading materials and performs tire retreading. The Group's business units are Passenger Car Tyres, Heavy Tyres, and Vianor. The chosen business structure describes, for example, the different nature of the sales revenue from the business units and the cyclical nature of their operations. Geographical areas provide further information on the regional magnitudes of the business functions and the various uncertainties contained within the market. The company is managed through the aforementioned business units and geographical areas.

The company's performance obligation is met and the recognition as income is made when a product or service is delivered. The sales of services and products create separate performance obligations. The material part of the company's net sales consists of standard B2B sales of goods, where invoicing occurs with standard terms upon goods delivery.

Income for the sales of products is booked when the material risks and benefits related to the ownership of goods, their right of possession, and actual control have been transferred to the buyer in accordance with the terms of contract, and when the payment is probable. Net sales also include the sale of services to a small extent. Income from services is booked once the services have been performed. The company's business is not characterized by overdue recognition; instead, there is one performance obligation that corresponds to a single recognition date. Invoicing occurs with standard terms upon goods delivery.

Revenue for both products and services is reported under net sales. Even the longest payment terms are a maximum of 12 months. Therefore, the financing component has not been separately indicated. Refunds have a minor impact on the financial statements. The company mainly operates in the replacement tire market, where product refund practices may differ from the original equipment market. As a rule, the contract templates that are widely employed by the group do not allow for returning products that have already been sold at the customer's initiative, unless the delivery is defective or a separate provision for this has been made in the specific contract.

Refunds and other factors affecting the selling price are monitored when determining the trading price. When calculating net sales, sales income is adjusted with indirect taxes and discounts. The company mainly sells tires to its own direct customers, granting them volume-based discounts. When recognizing goods, the company considers the discounts given to customers. During the financial year, the estimate is based on customers' estimates on future volumes and, on the other hand, on volumes that have already been realized. At the time of the closing of the financial statements, the discount is based on the realized volume at that time.

Advances from customers are not cosidered a material item as regards in the financial statements or when compared to net sales. Invoiced sales discounts are booked as refunds for trade receivables. Advances received from customers are not booked as trade receivables but instead as debts.

The products sold by the company have a standard warranty period. Furthermore, in limited markets, a so-called Hakka Guarantee is offered for selected Hakka products that covers tire punctures not covered by the standard warranty.

The Group's Management Team is the chief operating decision maker. The segment information is presented in respect of the business and geographical segments. Business segments are based on the internal organization and financial reporting structure.

Segment performance is evaluated based on operating result and is measured consistently with profit or loss in the consolidated financial statements.

The business segments comprise of entities with operating activities providing products and services. The segments are managed as separate entities.

Pricing of inter-segment transactions is based on current market prices and the terms of evaluating profitability and resources allocated to segments are based on profit before interests and taxes.

Segment assets and liabilities include items directly attributable to a segment and items that can be allocated on a reasonable basis. The unallocated items contain tax and financial items together with joint Group resource items. Capital expenditure comprises of additions to intangible assets and property, plant and equipment used in more than one period.

Business segments

Passenger Car Tyres business unit develops, manufactures and sells winter, summer and all-season tires for passenger cars, SUVs, and vans.

Heavy Tyres business unit comprises tires for forestry machinery, special tires for agricultural machinery, tractors and industrial machinery as well as retreading and truck tire business.

Vianor chain provides car services and sells car tires as well as truck tires. In addition to Nokian Tyres brand, Vianor sells other tire brands and other automotive products and services.

Other operations and eliminations contain business development and Group management unallocated to the segments and eliminations between different business segments.

Operating segments

2025 EUR million	Passenger Car Tyres	Heavy Tyres	Vianor	Other operations and eliminations	Group
Net sales from external customers	801.2	203.0	362.9	6.4	1,373.6
Services			94.1		94.1
Sales of goods	801.2	203.0	268.9	6.4	1,279.6
Inter-segment net sales	57.2	29.0	0.9	-87.0	
Net sales	858.4	232.0	363.8	-80.6	1,373.6
Operating result	28.3	24.3	-3.5	-13.2	35.8
% of net sales	3.3%	10.5%	-1.0%	16.4%	2.6%
Financial income and expenses					-51.7
Result before tax					-15.9
Tax expense					0.9
Result for the period					-15.0
Assets	1,665.5	192.8	193.0	11.8	2,063.2
Unallocated assets					250.6
Total assets					2,313.8
Liabilities	216.9	43.6	53.1	0.6	314.2
Unallocated liabilities					835.3
Total liabilities					1,149.5
Capital expenditure	109.4	8.7	5.1	3.7	126.9
Depreciation and amortization	98.7	11.3	31.2	1.1	142.2
Other non-cash expenses	1.4	-0.3	0.2	0.0	1.3

2024 EUR million	Passenger Car Tyres	Heavy Tyres	Vianor	Other operations and eliminations	Group
Net sales from external customers	725.2	204.9	353.6	6.1	1,289.8
Services			86.9		86.9
Sales of goods	725.2	204.9	266.7	6.1	1,202.9
Inter-segment net sales	54.8	30.2	1.3	-86.2	
Net sales	779.9	235.1	354.9	-80.1	1,289.8
Operating result	-15.6	30.0	-3.8	-8.8	1.8
% of net sales	-2.0%	12.8%	-1.1%	11.0%	0.1%
Financial income and expenses					-33.3
Result before tax					-31.5
Tax expense					8.7
Result for the period					-22.8
Assets	1,735.4	203.9	202.5	15.9	2,157.6
Unallocated assets					266.1
Total assets					2,423.7
Liabilities	239.6	47.9	48.1	0.0	335.6
Unallocated liabilities					815.7
Total liabilities					1,151.3
Capital expenditure	325.3	10.8	8.0	6.0	350.1
Depreciation and amortization	84.6	10.9	27.6	1.1	124.2
Other non-cash expenses	4.6	-0.6	-0.3	0.0	3.7

Geographical information

2025 EUR million	Nordics	Other Europe	Americas	Other countries	Other	Group
Net sales	**727.4**	**343.2**	**298.0**	**5.0**	**-**	**1,373.6**
Services	**94.1**	**-**	**-**	**-**		**94.1**
Sales of goods	**633.3**	**343.2**	**298.0**	**5.0**	**-**	**1,279.6**
Assets	**916.3**	**617.2**	**538.0**	**0.0**	**-8.3**	**2,063.2**
Unallocated assets						**250.6**
Total assets						**2,313.8**
Capital expenditure	**38.0**	**80.6**	**8.3**	**0.0**	**0.0**	**126.9**

2024 EUR million	Nordics	Other Europe	Americas	Other countries	Other	Group
Net sales	696.2	319.6	270.3	3.7	-	1,289.8
Services	86.9	-	-	-		86.9
Sales of goods	609.3	319.6	270.3	3.7	-	1,202.9
Assets	966.8	579.1	621.2	0.0	-9.4	2,157.6
Unallocated assets						266.1
Total assets						2,423.7
Capital expenditure	66.7	250.0	33.4	0.0	0.0	350.1

Notes concerning geographical segments

The business segments are operating in four geographic regions: Nordics, Other Europe, Americas and other countries. Other contains items that are not allocated to any geographic region. In presenting information on the basis of geographical segments, segment revenue is based on the location of the customers and segment assets are based on the location of the assets.

2. Acquisitions and disposals

Accounting policies

Non-current assets held for sale and discontinued operations
A non-current asset, or a group of disposable items, is classified as being held for sale if the amount corresponding to its carrying amount will primarily be generated from the sale of the asset instead of being generated from the continued use of the asset. Non-current assets held for sale, and assets related to discontinued operations, are measured at their carrying amounts, or the lower fair value less the costs to sell, if the amount corresponding to its carrying amount will primarily be generated from the sale of the asset and if the sales transaction is most likely to take place.

A discontinued operation is a part of the entity that has been divested or classified as being held for sale and represents a separate core business area or a geographic operating area. The result for the period of discontinued operations is presented as a separate item in the income statement and the comparative information in the income statement is restated accordingly.

The Group's financial statements for 2025 and 2024 do not include any non-current assets held for sale.

Acquisitions
There were no significant acquisitions during 2025 and 2024.

Disposals
There were no significant disposals or classifications as discontinued operations during 2025 or 2024.

3. Cost of sales

EUR million	2025	2024
Raw materials	**336.8**	274.7
Goods purchased for resale	**218.7**	242.3
Wages and social security contributions on goods sold	**82.6**	74.3
Other costs	**219.3**	213.6
Depreciation of production	**91.0**	77.2
Sales freights	**72.4**	78.2
Warehousing	**63.1**	69.4
Change in inventories	**8.3**	26.3
Total	**1,092.3**	1,056.0

4. Other operating income

EUR million	2025	2024
Gains on sale of property, plant and equipment	**0.6**	0.5
Other income	**1.6**	1.9
Total	**2.2**	2.4

5. Other operating expenses

Accounting policies

Research and development costs
Research costs are recognized as part of selling, marketing, and R&D expenses for the financial period in which they incurred.

Government grants
Grants received from governments or other parties are recognized adjustments to the related expenses in the income statement for the period.

EUR million	2025	2024
Losses on sale and disposals of tangible fixed assets	**0.5**	0.0
Expensed credit losses and provisions	**-0.3**	0.0
Other expenses	**1.6**	0.9
Total	**1.8**	1.0

To support the establishment of the factory in Romania, the European Commission approved in 2024 up to EUR 99.5 million Romanian state aid measure. The first installment of EUR 32.6 million was paid at the end of 2025.

6. Auditor's fees

EUR million	2025	2024
Audit fee	**1.2**	1.0
Tax services	**-**	-
Other services	**0.0**	0.1
Total	**1.2**	1.1

Ernst & Young Oy has been the company´s principal auditor since March 30, 2021.

7. Depreciation, amortization and impairment losses

Accounting policies

Property, plant, and equipment
Depreciation is based on the following expected useful lives:

Buildings	10–40 years
Machinery and equipment	4–20 years
Other tangible assets	10–40 years

Land is not depreciated.

The expected useful lives are reviewed at each reporting date, and if they differ materially from previous estimates, the depreciation schedules are changed accordingly.

Research and development costs

Development costs are capitalized once certain criteria associated with commercial and technical feasibility have been met. Capitalized development costs primarily comprising materials, supplies, and direct labor costs as well as the related overheads are amortized systematically over their expected useful life. The amortization period is 3–5 years.

Impairment

On the reporting date, the Group shall assess whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset in question is estimated. Goodwill and intangible assets not yet available for use are tested for impairment at least annually. To assess impairment, the Group's assets are allocated to cash-generating units on the smallest group that is largely independent of other units and the cash flows of which can be separated.

The recoverable amount is the higher of fair value of the asset less costs to sell and a value in use. As a rule, value in use is based on the discounted future cash flows that the corresponding asset or the cash-generating unit can derive. The impairment recognized in the income statement is the amount by which the carrying amount of the asset exceeds the corresponding recoverable amount, and in the statement of financial position, it is allocated first to reduce the carrying amount of any goodwill of the unit and then pro rata against the other assets. An impairment loss recognized in prior periods will be reversed if the estimates used to determine the recoverable amount change. However, a reversal of impairment loss shall not exceed the carrying amount that would have been determined in the statement of financial position without the recognized impairment loss in prior periods. Impairment loss on goodwill is not reversed under any circumstances.

Goodwill and other intangible assets

Goodwill is not amortized. The amortization schedule for other intangible assets is 3–10 years.

Depreciation and amortization by asset category

EUR million	2025	2024
Intangible rights	**3.8**	3.8
Other intangible assets	**0.7**	0.8
Buildings	**12.2**	9.6
Machinery and equipment	**72.0**	61.9
Right of use asset	**50.2**	45.6
Other tangible assets	**3.3**	2.5
Total	**142.2**	124.2

Depreciation and amortization by function

EUR million	2025	2024
Production	**91.0**	77.2
Selling, marketing and R&D	**40.0**	35.9
Administration	**11.2**	11.1
Total	**142.2**	124.2

8. Personnel expenses

EUR million	2025	2024
Wages and salaries	**223.8**	209.6
Pension contributions - defined contribution plans	**23.5**	22.8
Share-based payments	**1.9**	-0.2
Other social security contributions	**26.0**	24.1
Total	**275.3**	256.3

Information on the employee benefits and loans of the key management personnel is presented in note 34 Related party transactions.

Other than production wages and salaries were EUR 192.7 (182.1) million in 2025.

Personnel

	2025	2024
Group employees		
Average	**4,176**	3,850
At the end of the review period	**3,959**	3,810

9. Financial income

EUR million	2025	2024
Interest income		
Financial assets measured at amortized cost	**2.6**	7.4
Dividend income		
Non-current financial investments measured at fair value through other comprehensive income	**0.0**	0.0
Exchange rate gains and changes in fair value		
Financial assets and liabilities at amortized cost	**20.7**	10.9
Foreign currency derivatives	**25.3**	18.4
Other financial income	**0.0**	0.1
Total	**48.7**	37.0

10. Financial expenses

EUR million	2025	2024
Interest expenses		
Financial liabilities measured at amortized cost	**-32.8**	-33.0
Interest rate derivatives designated as hedges	**-1.0**	2.0
Lease liabilities	**-4.8**	-4.5
Exchange rate losses and changes in fair value		
Financial assets and liabilities at amortized cost	**-30.4**	-15.9
Foreign currency derivatives	**-28.3**	-16.1
Other financial expenses	**-3.2**	-2.8
Total	**-100.4**	-70.2

11. Tax expense

Accounting policies

Income taxes
Tax expenses in the profit and loss statement consist of current and deferred taxes. Tax expense is adjusted for taxes related to previous financial years. Current taxes are calculated on the taxable income using the tax rates enacted or substantively enacted in each country by the balance sheet date. Taxes are recognized in the profit and loss statement unless they relate to items recognized in the Consolidated statement of comprehensive income or directly in equity. Interest expenses arising from unpaid tax liabilities are reported under financial expenses.

Due to the nature of the international business environment, group companies are subject to routine tax audits in various jurisdictions. Changing and complex tax regulations in multiple jurisdictions where Nokian Tyres operates may create uncertainty regarding tax obligations and adversely affect the Group's financial position. Management evaluates the positions taken in tax returns in cases where tax legislation is subject to interpretation. In such cases, the Group recognizes a provision based on the estimated likelihood of acceptance by the tax authorities. Nokian Tyres does not have significant tax disputes ongoing and no specific tax risks are identified currently. Nokian Tyres has conducted preemptive discussions with authorities in different countries in order to agree on the taxation of its operations or changes in the corporate structure to minimize tax risks.

EUR million	2025	2024
Current tax expense	**-6.5**	-12.8
Adjustment for prior periods	**-1.3**	0.7
Change in deferred tax	**8.7**	20.8
Total	**0.9**	8.7

The reconciliation of tax expense recognized in the income statement and tax expense using the domestic corporate tax rate (2025: 20.0%, 2024: 20.0%):

EUR million	2025	2024
Result before tax	**-15.9**	-31.5
Taxes calculated according to the Finnish tax rate of 20%	**3.2**	6.3
Effect of deviant tax rates in foreign subsidiaries	**-0.6**	-1.6
Tax exempt revenues	**0.2**	0.4
Non-deductible expenses	**-0.5**	-0.5
Adjustment for prior periods	**-0.8**	3.9
Utilization of previously unrecognized tax losses	**0.0**	0.1
Other items	**-0.6**	0.2
Tax expense	**0.9**	8.7

Income tax relating to components of other comprehensive income:

2025 EUR million	Before tax amount	Tax benefit	Net of tax amount
Cash flow hedges	**5.6**	**-1.0**	**4.5**
Translation differences on foreign operations	**-64.7**		**-64.7**
Total	**-59.1**	**-1.0**	**-60.1**

2024 EUR million	Before tax amount	Tax benefit	Net of tax amount
Cash flow hedges	-1.3	0.5	-0.8
Translation differences on foreign operations	27.0		27.0
Total	25.7	0.5	26.2

12. Earnings per share

Accounting policies

Earnings per share
Basic earnings per share are calculated by dividing the profit or loss attributable to the equity holders of the parent for the period by the weighted average number of shares outstanding during the period. The average number of treasury shares has been deducted from the number of shares outstanding.

For the calculation of the diluted earnings per share, the diluting impact of all potentially diluting share conversions have been taken into account. The Group has had share options and previously convertible bonds as diluting instruments. At present, the Group does not have either. The dilution of share options has been computed using the treasury stock method. In dilution, the denominator includes the shares obtained through the assumed conversion of the options, and the repurchase of treasury shares at the average market price during the period with the funds generated by the conversion. The assumed conversion of options is not taken into account for the calculation of earnings per share if the effective share subscription price defined for the options exceeds the average market price for the period. The convertible bonds are assumed to have been traded for company shares after the issue.

EUR million	2025	2024
Result attributable to the equity holders of the parent	**-15.0**	-22.8
Result for the period to calculate the diluted earnings per share	**-15.0**	-22.8
Shares, 1,000 pcs		
Weighted average number of shares	**137,873**	137,869
Dilutive effect of the options	**-**	-
Diluted weighted average number of shares	**137,873**	137,869
Earnings per share, euros		
Basic	**-0.11**	-0.17
Diluted	**-0.11**	-0.17

13. Property, plant and equipment

Accounting policies

Property, plant and equipment
The values of the property, plant, and equipment acquired by the Group companies are based on their costs. Any proceeds from selling items produced while bringing an item of PPE into the location and condition intended are not deducted from the acquisition price but instead recorded in profit or loss. The assets of acquired subsidiaries are measured at fair value on the date of acquisition. Depreciation is calculated on a straight-line basis from the original acquisition cost, based on the expected useful life. Depreciation includes any impairment losses.

In the statement of financial position, the property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. The borrowing costs of the items included in property, plant, and equipment, and requiring a substantial construction period, are capitalized for the period needed to produce the investment for the intended purpose. Other borrowing costs are recognized as expenses in the period that they were incurred.

Regular maintenance and repair costs are recognized as expenses for the period. Expenses incurred from significant modernization or improvement projects are recorded in the statement of financial position if the company gains future economic benefits in excess of the originally assessed standard of performance of the existing asset. Modernization and improvement projects are depreciated on a straight-line basis over their useful lives. Gains and losses from the divestment and disposal of property, plant, and equipment are determined as the difference of the net disposal proceeds and the carrying amounts. Sales gains and losses are included in the operating profit in the income statement.

Government grants
Grants received for the acquisition of property, plant, and equipment reduce the acquisition cost.

Borrowing costs
The borrowing costs of items included in property, plant, and equipment or other intangible assets, and requiring a substantial construction period, are capitalized for the period needed to produce the investment for the intended purpose. Other borrowing costs are recognized as expenses for the period in which they incurred. The Group has not capitalized borrowing costs in 2025 or 2024.

2025 EUR million	Land property	Buildings	Machinery and equipment	Other tangible assets	Advances and fixed assets under construction	Total
Accumulated cost, Jan 1, 2025	**27.7**	**401.4**	**1,214.2**	**67.5**	**305.1**	**2,015.9**
Increase	**1.1**	**-15.7**	**-8.1**	**-0.9**	**152.3**	**128.6**
Decrease	**-0.1**	**-0.8**	**-5.4**	**-0.1**	**-0.1**	**-6.5**
Transfers between items	**0.0**	**56.2**	**179.1**	**6.7**	**-252.9**	**-10.9**
Other changes		**0.0**	**0.0**		**0.0**	**0.0**
Exchange differences	**-0.3**	**-20.1**	**-38.1**	**-1.6**	**-7.9**	**-67.9**
Accumulated cost, Dec 31, 2025	**28.5**	**421.0**	**1,341.7**	**71.6**	**196.5**	**2,059.2**
Accum. Depreciation, Jan 1, 2025	**0.0**	**-103.4**	**-720.9**	**-14.9**		**-839.1**
Depreciation for the period		**-12.2**	**-72.0**	**-3.3**		**-87.6**
Decrease		**0.5**	**3.1**	**0.0**		**3.5**
Other changes						**0.0**
Exchange differences		**1.9**	**10.2**	**0.4**		**12.5**
Accum. Depreciation, Dec 31, 2025	**0.0**	**-113.2**	**-779.6**	**-17.8**		**-910.6**
Carrying amount, Dec 31, 2025	**28.4**	**307.8**	**562.0**	**53.8**	**196.5**	**1,148.6**

2024 EUR million	Land property	Buildings	Machinery and equipment	Other tangible assets	Advances and fixed assets under construction	Total
Accumulated cost, Jan 1, 2024	27.6	274.1	1,049.9	51.4	244.5	1,647.5
Increase	0.1	3.4	22.0	0.8	323.6	349.9
Decrease	0.0	-0.1	-1.7	0.0	0.0	-1.9
Transfers between items		115.8	127.4	14.8	-264.8	-6.8
Other changes	0.0	0.0	0.0	0.0	0.0	0.0
Exchange differences	0.0	8.2	16.7	0.6	1.8	27.2
Accumulated cost, Dec 31, 2024	27.7	401.4	1,214.2	67.5	305.1	2,015.9
Accum. Depreciation, Jan 1, 2024	0.0	-93.2	-656.9	-12.2		-762.3
Depreciation for the period		-9.6	-61.9	-2.5		-74.0
Decrease		0.1	1.4	0.0		1.5
Other changes		0.0	0.0	0.0		0.0
Exchange differences		-0.7	-3.5	-0.2		-4.3
Accum. Depreciation, Dec 31, 2024	0.0	-103.4	-720.9	-14.9		-839.1
Carrying amount, Dec 31, 2024	27.7	298.0	493.3	52.7	305.1	1,176.8

14. Intangible assets

Accounting policies

Goodwill and other intangible assets
Goodwill arising from business combinations is recognized as the amount by which the aggregate of the transferred consideration, any non-controlling interest in what has been acquired, and any previously held interest exceeds the fair value of the net assets acquired. Goodwill is not amortized but is tested for impairment annually as well as whenever an indication of possible impairment exists.

Other intangible assets include customer relationships, capitalized development costs, patents, copyrights, licenses, and software. Intangible rights acquired in business combinations are measured at fair value and amortized on a straight-line basis over their useful lives. Other intangible assets are measured at cost and amortized on a straight-line basis over their useful lives. An intangible asset is only recorded in the statement of financial position if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and cost can be measured reliably. Subsequent expenses related to the assets are only recorded in the statement of financial position if the company gains future economic benefits in excess of the originally assessed standard of performance of the existing asset; otherwise, costs are recognized as expenses at the time of occurrence.

In the statement of financial position, intangible assets are recorded at cost less accumulated amortization and impairment losses. The borrowing costs of items included in other intangible assets, and requiring a substantial construction period, are capitalized for the period needed to produce the investment for the intended purpose. Other borrowing costs are recognized as expenses in the period that they are incurred.

2025 EUR million	Goodwill	Intangible rights	Other intangible assets	Total
Accumulated cost, Jan 1, 2025	**76.0**	**91.9**	**26.7**	**194.7**
Increase		**0.7**		**0.7**
Decrease		**-0.1**	**0.0**	**-0.1**
Transfers between items		**10.8**	**0.1**	**10.9**
Other changes		**0.0**	**0.0**	**0.0**
Exchange differences	**0.5**	**0.1**	**0.0**	**0.6**
Accumulated cost, Dec 31, 2025	**76.6**	**103.5**	**26.7**	**206.8**
Accum. Depreciation, Jan 1, 2025	**-14.5**	**-78.6**	**-23.3**	**-116.5**
Depreciation for the period		**-3.8**	**-0.7**	**-4.5**
Decrease		**0.1**	**0.0**	**0.1**
Other changes				
Exchange differences	**0.0**	**-0.1**	**0.0**	**-0.1**
Accum. Depreciation, Dec 31, 2025	**-14.5**	**-82.4**	**-24.0**	**-121.0**
Carrying amount, Dec 31, 2025	**62.0**	**21.1**	**2.7**	**85.8**

2024 EUR million	Goodwill	Intangible rights	Other intangible assets	Total
Accumulated cost, Jan 1, 2024	76.6	84.5	27.1	188.2
Increase		1.0	0.0	1.0
Decrease			-0.6	-0.6
Transfers between items		6.5	0.3	6.8
Other changes	0.0	0.0	0.0	0.0
Exchange differences	-0.6	0.0	-0.1	-0.7
Accumulated cost, Dec 31, 2024	76.0	91.9	26.7	194.7
Accum. Depreciation, Jan 1, 2024	-14.3	-74.9	-22.9	-112.1
Depreciation for the period		-3.8	-0.8	-4.6
Decrease			0.3	0.3
Other changes	-0.3		0.0	-0.3
Exchange differences	0.0	0.0	0.1	0.1
Accum. Depreciation, Dec 31, 2024	-14.5	-78.6	-23.3	-116.5
Carrying amount, Dec 31, 2024	61.5	13.3	3.4	78.2

Impairment losses

No impairment losses have been booked from the intangible assets based on the impairment tests for goodwill in 2025.

Impairment tests for goodwill

Goodwill has been allocated to the Group's cash-generating units that have been defined according to the business organization. Impairment testing is performed by comparing the carrying amount of those cash-generating units that include goodwill with their expected recoverable amount. An impairment loss is recognized if the recoverable amount of the cash-generating unit is less than the carrying amount. The calculations have included the investment in the new passenger car tire factory in Romania. Commercial tire deliveries from the factory started in the second quarter of 2025.

Allocation of goodwill prior tests

EUR million	Dec 31, 2025
Passenger Car Tyres	**61.1**
Heavy Tyres	**0.9**
Vianor	**-**
Total goodwill	**62.0**

The recoverable amount of a cash-generating unit is based on calculations of the value in use. The cash flow forecasts used in these calculations are based on five-year financial plans approved by the management. The estimated sales and production volumes are based on the current condition and scope of the existing assets including the investment to the new production capacity in Romania. The key assumptions used in the plans include product selection, country-specific sales distribution, margin on products, and their past actual outcomes. Assumptions are also based on commonly used growth, demand and price forecasts provided by market research institutes.

The discount rate used is the weighted average cost of capital (WACC) after taxes defined for the Group. The calculation components are risk-free rate of return, market risk premium, industry-specific beta co-efficient, borrowing cost and the capital structure at market value at the time of testing. The discount rate used for Passenger Car Tyres is 8.2% (8.5%) and for Heavy Tyres is 7.5% (7.6%). Vianor has not been tested in 2025 as the whole goodwill allocated to Vianor has been impaired in 2021. Future cash flows after the forecast period approved by the management have been capitalized as a terminal value using a steady 2% growth rate and discounted with the discount rate specified above. The assumption for the net sales growth rate has been 2 %. The sensitivity tests have been performed using net sales and gross margin. A possible impairment would require a significant weakening of the key assumptions from the financial plans approved by the management.

The testing indicated no need to recognise impairment losses in Passenger Car Tyres and in Heavy Tyres. The recoverable amount in Passenger Car Tyres considerably exceeds the carrying amount of the cash-generating unit. The new factory investment in Europe is increasing the amount of capital expenditure in the planning period EUR 52.0 million. Due to the nature of the new factory investment a significant amount of the recoverable amount of the cash flow is generated in the terminal value. The recoverable amount in Heavy Tyres significantly exceeds the carrying amount of the cash-generating unit.

Allocation of goodwill after tests

EUR million		Impairment loss	Goodwill Dec 31, 2025
Passenger Car Tyres	**61.1**	**-**	**61.1**
Heavy Tyres	**0.9**	**-**	**0.9**
Vianor	**-**	**-**	**0.0**
Total goodwill	**62.0**	**-**	**62.0**

15. Right of use assets

Accounting policies

Lease agreements
In accordance with IFRS 16, all of the assets related to lease agreement (right-of use assets) and future lease payment obligations (lease liabilities) are recognized in the statement of financial position at the inception of the contract.

Nokian Tyres primarily acts as a lessee. The vast majority of leases recognized as Right-of-use assets under IFRS 16 comprise Vianor chain real estate and warehouses.

The Group as lessee
Nokian Tyres recognizes a leased asset and the related lease liability at the lease commencement date, except for short-term leases and low value leases.

- A lease is considered short term if the lease term is 12 months or less and no option included.
- A lease is considered of low value if the business level materiality thresholds are not met.

The Group applies this guideline to all asset classes, with the exception of vehicle leases, which are also recognized under IFRS 16 even if their contract term is below 12 months or the related asset is deemed of low value.

The lease term is determined as the non-cancelable period of the lease, taking extension and termination options into consideration, if it is reasonably certain that the Group will exercise such options. If the lease term is indefinite (valid until further notice), management judgment is used to estimate the expected lease term and the indefinite contracts will be booked on the basis of the planning period, usually for three years.

Lease liability under IFRS 16 is recorded at the commencement date of the lease and measured at the present value of the lease payments during the lease term. The criteria used to determine the discount rate by lease agreement are the geographical location, currency, maturity of the risk-free interest rate, and the lessee's credit risk premium. When the agreement includes a lease component and a non-lease component, Nokian Tyres separates the non-lease components, such as maintenance or services, based on either the stand-alone prices given in the lease agreement or by using estimates. The lease liability is remeasured with a corresponding effect to the related leased asset when there is a change in the future lease payments due to contract renegotiation, index changes, or a reassessment of options.

The leased asset consists of the initial lease liability and any initial direct costs less any incentives granted by the lessor. It is valued at cost less accumulated depreciation and impairment losses. Any remeasurement is in line with the remeasurement of the lease liability. The right-of-use asset is depreciated in a straight-line basis over the lease term.

The Group as a lessor
The lessor will classify each lease agreement into either finance or operating lease in accordance with the IFRS 16 standard. If the lease transfers substantially all of the risk and rewards incidental to the ownership of the asset, it is considered to be a finance lease; otherwise, the lease is considered to be an operating lease.

Assets held under finance leases are recorded in the statement of the financial position as receivables at an amount equal to the net investment in the lease.

Assets held under operating leases are included in intangible assets and property, plant, and equipment in the statement of the financial position. These assets are depreciated over their useful lives, consistent with assets in the company's own use. Income from operating leases is recorded in the income statement on a straight-line basis over the lease term.

From the Group's point of view, operating as a lessor is limited.

Sale and leaseback
In a sale and leaseback transaction, the Group assesses whether the transaction meets the criteria for the sale of an asset under IFRS 15. If the criteria are met, at the time of sale, the right-of-use asset is recognized in the balance sheet at an amount corresponding to the portion of the original carrying amount of the asset that relates to the right retained by the Group. The gain or loss on sale is then recognized as the portion of the sales price that corresponds to the rights transferred to the buyer. If the sales price does not reflect fair value, the difference is allocated either to prepaid rent or to financial liabilities. If the criteria for sale are not met, the asset continues to be reported in the balance sheet, and the consideration received is presented as a financial liability.

Sale and leaseback arrangements in the Group's balance sheet are accounted for as leases and are part of the right-of-use assets and lease liabilities. Any gains arising from these transactions are allocated over the lease term.

2025 EUR million	Land property	Buildings	Machinery and equipment	Total
Accumulated cost, Jan 1, 2025	**1.5**	**261.6**	**8.5**	**271.6**
Increase	**0.0**	**35.0**	**2.5**	**37.5**
Decrease	**-0.1**	**-38.5**	**-2.2**	**-40.8**
Other changes	**0.0**	**0.0**	**0.0**	**0.0**
Exchange differences	**0.0**	**-3.0**	**-0.2**	**-3.2**
Accumulated cost, Dec 31, 2025	**1.4**	**255.2**	**8.5**	**265.1**
Accum. Depreciation, Jan 1, 2025	**-0.4**	**-144.0**	**-2.8**	**-147.1**
Depreciation for the period	**-0.1**	**-47.2**	**-2.9**	**-50.2**
Decrease	**0.1**	**37.0**	**1.6**	**38.7**
Other changes	**0.0**	**0.0**	**0.0**	**0.0**
Exchange differences	**0.0**	**2.0**	**0.0**	**2.1**
Accum. Depreciation, Dec 31, 2025	**-0.4**	**-152.1**	**-4.0**	**-156.5**
Carrying amount, Dec 31, 2025	**1.0**	**103.1**	**4.5**	**108.6**

2024 EUR million	Land property	Buildings	Machinery and equipment	Total
Accumulated cost, Jan 1, 2024	1.4	241.6	4.8	247.8
Increase	0.2	44.9	4.9	50.0
Decrease	-0.1	-21.8	-1.2	-23.0
Other changes	0.0	0.0	0.0	0.0
Exchange differences	0.0	-3.1	0.0	-3.1
Accumulated cost, Dec 31, 2024	1.5	261.7	8.5	271.6
Accum. Depreciation, Jan 1, 2024	-0.3	-120.9	-1.9	-123.1
Depreciation for the period	-0.1	-43.4	-2.1	-45.6
Decrease	0.1	19.0	1.2	20.2
Other changes	0.0	0.0	0.0	0.0
Exchange differences	0.0	1.3	0.0	1.3
Accum. Depreciation, Dec 31, 2024	-0.4	-144.0	-2.8	-147.1
Carrying amount, Dec 31, 2024	1.1	117.7	5.7	124.5

Expenses arising from leases of low-value amounted to EUR 0.5 (0.6) million and short-term leases amounted to EUR 5.3 (6.0) million in 2025. These contracts are not included in the right of use assets. Interest expenses from right of use assets were EUR 4.8 (4.5) million.

Sale and Leaseback transaction

On March 13, 2025, Vianor AB signed an agreement to sell the Sandviken service center to Fastigheten Stallgatan i Sandviken AB. In addition, Vianor AB became a long-term tenant of the building under a lease agreement signed on March 13, 2025. The consideration received from the sale of the property was EUR 0.6 million, which is presented in the Group's cash flow statement as part of investing cash flows. The arrangement resulted in a gain on sale of EUR 0.5 million in the Group's income statement.

16. Carrying amounts and fair values of financial assets and liabilities

Accounting policies

Financial assets and liabilities

Classification of financial instruments
When recognizing a financial asset in its statement of financial position, the Group classifies it into one of the following measurement categories:

- Amortized cost
- Fair value through other comprehensive income
- Fair value through profit or loss.

These categories apply to subsequent measurement and profit or loss recognition. The classification is based on the business model for managing the asset and the contractual cash flow characteristics of the asset.

A financial asset is classified as subsequently measured at amortized cost when the objective is to hold financial assets to collect contractual cash flows that are payments of principal and interest on the principal amount outstanding. In the Group, in principle this measurement category includes trade receivables, loan receivables, and cash and cash equivalents, including liquid short-term investments in money market instruments.

A debt instrument in the financial assets is classified as subsequently measured at fair value through other comprehensive income when the objective is to both hold the financial assets to collect contractual cash flows that are payments of principal and interest on the principal amount outstanding and sell the financial assets.

If there are business objectives for the holding of a financial asset other than the foresaid, it is classified as subsequently measured at fair value through profit or loss. The Group's derivative assets are included in this category. However, when recognizing an investment in an equity instrument in its statement of financial position, the Group may make an irrevocable election to present subsequent changes in fair value in other comprehensive income. The election is made on an instrument-by-instrument basis. The Group typically designates investments in quoted and unquoted shares that are not held for trading as at fair value through other comprehensive income.

The measurement category of a financial liability is either at amortized cost or at fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is held-for-trading, is a derivative, or is specifically designated as such. Other financial liabilities are subsequently measured at amortized cost. The financial liabilities of the Group are classified as measured at amortized cost except for derivative liabilities.

Measurement of financial instruments
At initial recognition, all financial assets and liabilities are measured at fair value taking into account any transaction costs, and in the statement of financial position, they are included in current or non-current assets or liabilities depending on the maturity of the item. Financial assets and financial liabilities are subsequently measured at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss in accordance with the measurement category of the item.

Impairment of financial assets
At each reporting date, the Group recognizes a loss allowance for expected credit losses on a financial asset that is not measured at fair value through profit or loss. When measuring the expected credit losses, the Group reviews the actual credit losses, current conditions, and forecasts of the future economic conditions.

For trade receivables, the Group follows the simplified approach whereby the impairment recognized in trade receivables corresponds to the lifetime expected credit losses for trade receivables.

		2025				2024			
			Fair value				Fair value		
EUR million	Note	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
Financial assets									
Fair value through profit or loss									
Derivatives held for trading	30	**2.8**	**-**	**2.8**	**-**	1.9	-	1.9	-
Derivatives designated as hedges	30	**9.9**	**-**	**9.9**	**-**	14.1	-	14.1	-
Unquoted securities	17	**2.5**	**-**	**-**	**2.5**	2.9	-	-	2.9
Amortized cost									
Trade and other receivables	21	**253.3**	**-**	**253.3**	**-**	276.3	-	276.3	-
Money market instruments	22	**-**	**-**	**-**	**-**	-	-	-	-
Cash in hand and at bank	22	**146.9**	**-**	**146.9**	**-**	176.1	-	176.1	-
Fair value through other comprehensive income									
Unquoted shares	17	**0.2**	**-**	**-**	**0.2**	0.2	-	-	0.2
Total financial assets		**415.7**	**-**	**412.9**	**2.8**	471.5	-	468.4	3.1
Financial liabilities									
Fair value through profit or loss									
Derivatives held for trading	30	**2.2**	**-**	**2.2**	**-**	1.1	-	1.1	-
Derivatives designated as hedges	30	**3.5**	**-**	**3.5**	**-**	13.2	-	13.2	
Amortized cost									
Interest-bearing financial liabilities	27	**696.9**	**-**	**705.4**	**-**	659.6	-	676.8	-
Trade and other payables	28	**143.6**	**-**	**143.6**	**-**	160.6	-	160.6	-
Total financial liabilities		**846.1**	**-**	**854.7**	**-**	834.6	-	851.7	-

The carrying amount of financial assets corresponds to the maximum exposure to the credit risk on the reporting date. See note 29 for the impairments in respect of trade receivables. Other financial assets measured at amortized cost and fair value through other comprehensive income are not subject to material impairment.

Fair value measurements have been classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety shall be determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

All items measured at fair value through profit or loss excluding unquoted securities have been classified to Level 2 in the fair value hierarchy and items include Group's derivative financial instruments. To establish the fair value of these instruments the Group uses generally accepted valuation models with inputs based on observable market data.

Level 3 includes unquoted securities measured at fair value through profit or loss, and unquoted shares measured at fair value through other comprehensive income since cost is assessed to represent the fair value.

Financial assets and liabilities not measured at fair value but for which the fair value can be measured are categorised in Level 2 in the fair value hierarchy. Level 2 includes financial assets and financial liabilities measured at amortized cost. Their fair values are based on the future cash flows that are discounted with market interest rates on the reporting date.

There were no transfers between different levels during the financial year.

17. Investments in associates and non-current financial investments

EUR million	Invest-ments in associates	Unquoted securities	Unquoted shares
Accumulated cost, Jan 1, 2025	**0.1**	**2.9**	**0.2**
Net exchange differences	**-**	**-0.3**	**-**
Carrying amount, Dec 31, 2025	**0.1**	**2.5**	**0.2**
Carrying amount, Dec 31, 2024	0.1	2.9	0.2

18. Other non-current receivables

EUR million	2025	2024
Other non-current receivables	**27.4**	21.0
Total	**27.4**	21.0

19. Deferred tax assets and liabilities

Accounting policies

Deferred taxes

Deferred taxes are calculated on temporary differences between the carrying value and tax value of assets and liabilities. Deferred taxes are calculated using the statutory tax rates enacted or substantively enacted by the balance sheet date. The most significant temporary differences arise from differences in depreciation of intangible and tangible assets, fair value measurement of financial assets and hedging instruments, internal inventory margins, provisions, and unused tax losses. Deferred tax assets arising from temporary differences are recognized only to the extent that it is probable they can be utilized against future taxable income during their validity period.

Management judgment is required to determine the amount of deferred tax assets in relation to the timing of loss utilization and the level of forecasted future taxable profits. Nokian Tyres has recognized deferred tax assets and liabilities in its financial statements, which, based on management's assessment, are expected to be realized and recognized in future profit or loss.

Nokian Tyres is subject to Pillar 2 regulations. The Group applies the mandatory temporary exception under IAS 12 related to deferred taxes and does not report deferred taxes arising from Pillar 2. The Group has assessed the impact of Pillar 2 legislation on its taxes based on the financial data of its group entities for the year 2025. Based on the assessment, the Group determines that it is not subject to Pillar Two "top-up" taxes.

EUR million	Dec 31, 2024	Adjustments between items	Recognized in income statement	Recognized in other comprehensive income	Net exchange differences	Dec 31, 2025
Deferred tax assets						
Inventories	10.6		-1.4			9.2
Property, plant and equipment and intangible assets	5.9		11.1			17.0
Lease liabilities	27.9		-2.9		-0.6	24.3
Provisions and accruals	4.2		0.5			4.7
Tax losses carried forward	28.3		4.0			32.3
Cash flow hedges	1.1		0.1	-0.7		0.5
Other items	9.0		-8.9			0.1
Total	87.1	0.0	2.4	-0.7	-0.6	88.2
Deferred tax assets offset against deferred tax liabilities	-32.3		4.5			-27.7
Deferred tax assets	54.8	0.0	6.9	-0.7	-0.6	60.4
Deferred tax liabilities						
Property, plant and equipment and intangible assets	7.4		-1.9			5.5
Right of use assets	26.8		-4.3		0.7	23.2
Untaxed reserves	0.6		0.0			0.6
Cash flow hedges	1.0		0.0	0.4		1.4
Other items	0.2		-0.1			0.0
Total	36.0	0.0	-6.4	0.4	0.7	30.8
Deferred tax liabilities offset against deferred tax assets	-32.3		4.5			-27.7
Deferred tax liabilities	3.7	0.0	-1.8	0.4	0.7	3.0

EUR million	Dec 31, 2023	Adjustments between items	Recognized in income statement	Recognized in other comprehensive income	Net exchange differences	Dec 31, 2024
Deferred tax assets						
Inventories	9.3		1.3			10.6
Property, plant and equipment and intangible assets	1.8		4.1			5.9
Lease liabilities	28.5		-0.8		0.2	27.9
Provisions and accruals	-0.7	0.3	4.6			4.2
Tax losses carried forward	33.5	0.6	-5.8			28.3
Cash flow hedges	0.0		-	1.1		1.1
Other items	0.1	0.3	8.6			9.0
Total	72.6	1.2	12.0	1.1	0.2	87.1
Deferred tax assets offset against deferred tax liabilities	-17.6		-14.6			-32.3
Deferred tax assets	55.0	1.2	-2.6	1.1	0.2	54.8
Deferred tax liabilities						
Property, plant and equipment and intangible assets	14.9	0.5	-8.0			7.4
Right of use assets	27.4		-0.4		-0.2	26.8
Untaxed reserves	0.0		0.6			0.6
Cash flow hedges	0.4		-	0.5		1.0
Other items	1.7	-0.4	-1.1			0.2
Total	44.3	0.1	-8.8	0.5	-0.2	36.0
Deferred tax liabilities offset against deferred tax assets	-17.6		-14.6			-32.3
Deferred tax liabilities	26.7	0.1	-23.4	0.5	-0.2	3.7

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

On December 31, 2025, the Group had carry forward losses for EUR 109.1 (140.8) million, on which a deferred tax asset has been recognised. EUR 2.3 (0.0) million of these carry forward losses will expire during years 2026–2030 and EUR 104.8 (134.2) million will expire during years 2031–2035 and EUR 2.0 (6.5) million will not expire.

The Group also had carry forward losses for EUR 2.2 (2.1) million, on which no deferred tax asset was recognized. It is not probable that future taxable profit will be available to offset these losses. EUR 2.2 million of these losses will expire in five years.

The Group has utilized previously unrecognized tax losses from prior periods with EUR 0.0 (0.3) million in 2025. The adjustments include EUR 0.0 (1.1) million of adjustments that are booked through retained earnings.

20. Inventories

Accounting policies

Inventories
Inventories are measured at the lower of cost or the net realizable value. Cost is primarily determined in accordance with standard cost accounting. The cost of finished goods and work in progress includes raw material purchase costs, direct manufacturing wages, other direct manufacturing costs, and a share of production overheads, borrowing costs excluded. Net realizable value is the estimated sales price in ordinary activities less the costs associated with the completion of the product and the estimated necessary costs incurred to make the sale of the product. Allowance is recorded in obsolete items.

EUR million	2025	2024
Raw materials and supplies	**124.6**	116.1
Work in progress	**10.7**	11.7
Finished goods	**290.0**	324.2
Total	**425.4**	452.1

Annually an additional expense is recognised in the carrying amounts of all separate inventory items to avoid them exceeding their maximum probable net realisable values. In 2025 EUR 0.2 (7.1) million expense was recognised to decrease the carrying amount of the inventories to reflect the net realisable value.

21. Trade and other receivables

Accounting policies

Revenue recognition
Trade receivables have been recorded on the balance sheet according to the originally invoiced amount, and items in other currencies have been recognized at the closing rate reported by the European Central Bank. Trade receivables will change if the receivables are booked as a credit loss. There are three types of credit loss provisions: group-level IFRS 9, local, and statutory credit loss provision. Revenue from contracts with customers is reported under net sales, and credit losses are reported separately from net sales under other business expenses.

EUR million	2025	2024
Trade receivables	**253.0**	274.0
Accrued revenues and deferred expenses	**19.5**	18.3
Derivative financial instruments		
Designated as hedges	**3.3**	1.9
Measured at fair value through profit or loss	**2.8**	1.9
Current tax assets	**7.3**	4.4
Value added tax receivables	**15.7**	24.4
Other receivables	**6.3**	12.3
Total	**307.8**	337.1

The carrying amount of trade and other receivables corresponds to the maximum exposure to the credit risk on the reporting date.

The carrying amount of trade and other receivables is a reasonable approximation of their fair value. See note 29 for the impairments in respect of trade receivables.

Significant items under accrued revenues and deferred expenses

EUR million	2025	2024
Annual discounts, purchases	**3.4**	3.7
Financial items	**1.2**	1.2
Social security contributions	**0.0**	0.1
Insurances	**1.5**	1.4
Other items	**13.4**	12.0
Total	**19.5**	18.3

22. Cash and cash equivalents

Accounting policies

Cash and cash equivalents
Cash and cash equivalents include cash on hand and other current investments, such as commercial papers and bank deposits.

EUR million	2025	2024
Cash in hand and at bank	**146.9**	176.1
Money market instruments	**-**	-
Total	**146.9**	176.1

23. Equity

Accounting policies

Treasury shares
The acquisition cost of treasury shares repurchased by the Group is recognized as a deduction in equity. The consideration received for the treasury shares when sold, net of transaction costs and tax, is included in equity.

Dividend
The dividend proposed by the Board of Directors at the Annual General Meeting has not been recognized in the financial statements. Dividends are only accounted for on the basis of the decision of the Annual General Meeting.

Reconciliation of the number of shares

EUR million	Number of shares, 1,000 pcs	Share capital	Share premium	Paid-up unrestricted equity reserve	Treasury shares	Total
Jan 1, 2024	137,867	25.4	181.4	238.2	-16.7	428.4
Acquisition/conveyance of treasury shares	2				0.1	0.1
Dec 31, 2024	137,870	25.4	181.4	238.2	-16.6	428.4
Jan 1, 2025	**137,870**	**25.4**	**181.4**	**238.2**	**-16.6**	**428.4**
Acquisition/conveyance of treasury shares	**6**				**0.2**	**0.2**
Dec 31, 2025	**137,875**	**25.4**	**181.4**	**238.2**	**-16.4**	**428.7**

The nominal value of shares was abolished in 2008, hence no maximum share capital of the Group exists anymore. All outstanding shares have been paid for in full.

Below is a description of the reserves within equity:

Share premium
Before the nominal value of shares was abolished, the amount exceeding the nominal value of shares received by the company in connection with share issue and share subscription were recognised in share premiums.

Translation reserve
Translation reserve includes the differences arising from the translation of the foreign subsidiaries' financial statements. The gains and losses from the net investments in foreign units and hedging those net investments are also included in translation reserve once the requirements of hedge accounting have been met.

Fair value and hedging reserves
The fair value and hedging reserves comprise of two sub reserves: a fair value reserve for financial assets measured at fair value through other comprehensive income and a hedging fund for changes in the fair value of the derivative financial instruments used for cash flow hedging.

Paid-up unrestricted equity reserve
After the nominal value of shares was abolished, the entire share subscription made by option rights are entered in the paid-up unrestricted reserve.

Treasury shares
No share repurchases were made during the review period, and the company did not possess any own shares on December 31, 2025.

Nokian Tyres has an agreement from 2017 with a third-party service provider concerning the share-based incentive program

for key personnel. The third party owns Nokian Tyres' shares related to the incentive program until the shares are given to the participants of the program. In accordance with IFRS, these repurchased shares have been reported as treasury shares in the Consolidated Statement of Financial Position. On December 31, 2025, the number of these shares was 1,046,507 (1,052,242). This number of shares corresponded to 0.75 (0.76) percent of the total shares and voting rights in the company.

Dividends
After the balance sheet date, the Board of Directors proposed that a dividend of EUR 0.25 (0.25) per share be paid.

Specification of the distributable funds
The distributable funds on December 31, 2025, total EUR 742.6 (768.8) million and are based on the balance of the Parent company and the Finnish legislation.

24. Long-term incentive plans for the Group management team and key personnel

Accounting policies

Share-based payments
Performance shares are measured at fair value on the grant date and are expensed to employee benefit expenses on a straight-line basis over the vesting period and retention period. The equity-settled amounts are recorded as an increase in equity. The expense determined on the grant date is based on the Group's estimate of the number of shares that are assumed to vest at the end of the vesting period. The impact of non-market-based conditions is not included in the fair value of the share; instead, it is taken into account in the final number of shares that are assumed to vest at the end of the vesting period. The Group updates the assumption of the final number on each reporting date. The fair values of cash settled amounts are similarly updated on each reporting date and recorded in equity. The changes in estimated values in both share and cash settled amounts are booked to the income statement.

Long-term incentive plans
In 2025, the Board of Directors confirmed to continue with new performance periods for the share-based incentive plan for the Group's key employees. The decision included a Performance Share Plan (PSP) as the main structure and a Restricted Share Plan (RSP) as a complementary structure for specific situations. The purpose of the share-based incentive plans is to harmonize the goals of the Company's owners and key personnel in order to increase the value of the Company in the long term, to commit key personnel to the Company and its strategic target and to offer a competitive rewards system for personnel.

The long-term incentives were established for the first time in February 2019, based on the Board of Directors decision. The Board decides annually on the plan commencement and new performance periods as well as details of it.

The Performance Share Plan 2023–2027 consists of three performance periods covering the financial years 2023–2024, 2024–2025 and 2025–2026 with one year restricted period each. In Performance Share Plans, the maximum amount of the share-based reward is 250% for the President and CEO and 200% of the annual base salary for the member of the Group Management Team.

A typical precondition for the payment of the share reward is that the employment relationship of the individual participant with Nokian Tyres continues until the payment date of the reward. In addition to this there is a precondition based on the Restricted Share Plan, a financial performance criteria is applied to Group Management Team. The criteria is a threshold value for segment Return on Capital Employed (ROCE), which must be exceeded for a potential payment of a share reward based on the Restricted Share Plan.

The President and CEO and members of the Group Management Team must own 25% of the paid net shares until the total shareholding corresponds to the value of his/her gross annual salary. They must own this number of shares as long as they are involved in the Group's Management Team.

Active Performance Share Plans
The Board of Directors of Nokian Tyres plc approved in May 2025 the commencement of a new plan period in the company's long-term Performance Share Plan ("PSP"). PSP is a long-term incentive tool, used selectively for retention of Nokian Tyres key employees.

The Performance Share Plan 2023–2027 consists of three plan periods. The Board of Directors decide annually on the commencement and details of the plan periods. Nokian Tyres initially announced the establishment of the PSP scheme 2023–2027 on February 7, 2023.

Performance Share Plan 2025–2026 includes a two-year performance period, and one year restriction period (2027). The performance targets are average earnings per share (EPS), average return on capital employed (ROCE%) and reduction of Scope 1 & 2 CO_2 emission intensity. Subject to achieving the performance targets, share rewards will be delivered in spring 2028.

The aggregate maximum number of shares to be paid based on PSP 2025–2026 is 1,657,000 shares. The reward will be paid in Nokian Tyres plc shares. The number of shares represents gross earnings, from which the applicable payroll tax is withheld, and the remaining net value is paid to the participants in shares. If the participant's employment or executive contract ends before the reward is paid, the reward is generally not be paid.

Active Restricted Share Plans

The Board of Directors of Nokian Tyres plc approved in February 2025 the commencement of a new plan period in the company's long-term share-based incentive scheme, Restricted Share Plan ("RSP"). RSP scheme serves as a complementary long-term incentive tool, used selectively for retention of Nokian Tyres key employees.

Nokian Tyres originally announced the establishment of the RSP scheme on February 5, 2019.

Restricted Share Plan 2025–2027 includes a three-year restriction period, with potential rewards delivered in 2028 in shares of Nokian Tyres.

The aggregate number of shares to be paid based on RSP 2025–2027 is a maximum of 120,000 shares. The number of shares represents gross earnings, from which the applicable payroll tax is withheld, and the remaining net value is paid to the participants in shares.

The payment of the share reward is contingent upon the participant remaining employed by Nokian Tyres until the reward payment date. In addition, a financial threshold has been set for the remuneration of the members of Nokian Tyres' Group Management Team, which must be exceeded to receive potential reward from RSP 2025–2027. The financial indicator is the Segments Return on Capital Employed (ROCE).

Payments for share-based plans that ended in 2024

In February 2025, the Board of Directors approved outcomes of the Performance and Restricted share plans 2022–2024.

Performance Share Plan 2022–2024

No share-based rewards were paid under the PSP 2022–2024 as the targets were not reached.

Restricted Share Plan 2022–2024

The three-year restriction period of the Restricted Share Plan 2022–2024 ended after financial year 2024. Under the RSP 2022–2024, a maximum total of 5,500 shares of the company was granted without consideration to five key employees with the terms and conditions of the RSP 2022–2024. The shares have been acquired from the market on behalf of the recipients, and their transfer took place on March 6, 2025.

As well RSP 2022–2024, a maximum total of 6,000 shares of the company was granted without consideration to five key employees with the terms and conditions. The shares have been acquired from the market on behalf of the recipient, and their transfer took place on August 6, 2025.

The following tables present more specific information on the performance share plans.

Instrument	PSP 2022–2024	PSP 2023–2025	PSP 2024–2026	PSP 2025–2027	RSP 2022–2024	RSP 2023–2025	RSP 2024–2026	RSP 2025–2027	Total
Issuing date	Feb 8, 2022	Feb 7, 2023	Feb 6,2024	May 6,2025	Feb 8, 2022	Feb 7, 2023	Feb 6,2024	Feb 4,2025	
Initial amount, pcs	513,742	1,400,000	1,760,000	1,657,000	120,000	120,000	120,000	120,000	5,810,742
Dividend adjustment	No	No	No	No	No	No	No	No	
Initial allocation date	Feb 8, 2022	Feb 17, 2023	Mar 1, 2024	May 6,2025	Dec 19, 2022	Dec 12, 2023	Feb 19,2024		
Beginning of earning period	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024	Jan 1, 2025	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024	Jan 1, 2025	
End of earning period	Dec 31, 2024	Dec 31, 2024	Dec 31, 2025	Dec 31, 2026	Dec 31, 2024	Dec 31, 2025	Dec 31, 2026	Dec 31, 2027	
Vesting date	Mar 31, 2025	Apr 30, 2026	Apr 30, 2027	Apr 30, 2028	Mar 31, 2025	Mar 31, 2026	Mar 31, 2027	Mar 31, 2028	
Vesting conditions	Segments earnings per share (EPS) growth % and segments return on capital employed (ROCE)	Cumulative EBITDA, increase in passenger car tire production volume and reduction in direct CO_2 emissions	Cumulative EBITDA, increase in passenger car tire production volume and reduction in direct CO_2 emissions	Average earnings per share (EPS), average return on capital employed (ROCE%) and reduction of Scope 1 & 2 CO_2 emission	Continued employment, segments return on capital employed (ROCE) for Management Team	Continued employment, segments return on capital employed (ROCE) for Management Team	Continued employment, segments return on capital employed (ROCE) for Management Team (excluding new CEO)	Continued employment, segments return on capital employed (ROCE) for Management Team	
Maximum contractual life, years	3.1	3.2	3.2	3.0	3.1	3.3	3.3	3.2	3.1
Remaining contractual life, years	0.0	0.3	1.3	2.3	0.0	0.3	1.3	2.3	1.2
Number of persons at the end of reporting year	0	132	143	84	0	2	3	0	
Payment method	Cash & equity	Cash & equity	Cash & equity	Cash & equity	Cash & equity	Cash & equity	Cash & equity	Cash & equity	

Changes during period	PSP 2022–2024	PSP 2023–2025	PSP 2024–2026	PSP 2025–2027	RSP 2022–2024	RSP 2023–2025	RSP 2024–2026	RSP 2025–2027	Total
Jan 1, 2025									
Outstanding in the beginning of the period	333,066	1,189,218	1,724,744	0	12,300	15,000	110,000	0	3,384,328
Reserve in the beginning of the period	180,676	210,782	35,256	0	107,700	105,000	10,000	0	649,414
Changes during period									
Granted	0	0	0	1,748,968	0	0	0	0	1,748,968
Forfeited	11,714	140,146	270,284	198,788	800	7,500	0	0	629,232
Earned (Gross)	0	90,923	0	0	11,500	0	0	0	102,423
Delivered (Net)	0	0	0	0	5,735	0	0	0	5,735
Expired	513,742	1,098,295	0	0	108,500	0	0	0	1,720,537
Dec 31, 2025									
Outstanding at the of the period	0	90,923	1,454,460	1,550,180	0	7,500	110,000	0	3,213,063
Reserved at the of the period	0	0	305,540	106,820	0	112,500	10,000	0	534,860

Fair value determination

Inputs to the fair value determination of the performance shares expensed are listed in the below table as weighted average values. The total fair value of the performance shares is based on the company's estimate in December 31, 2025 as to the number of shares to be eventually vesting.

	2025
Fair value determination	
Share price at grant, EUR	6.4
Share price at reporting date, EUR	9.5
Expected dividend yield, %	4.0%
Fair market value per share at grant, EUR	5.7
Valuation model	Dividend Discount
Total fair value Dec 31, 2025, EUR million	2.4
Impact on period profits and financial position	
Expenses for the financial year, share-based payments, EUR million	1.9
Liabilities arising from share-based payments Dec 31, 2025, EUR million	0.0
Estimated amount of cash to be paid under these plans, EUR million	6.4

25. Pension liabilities

Accounting policies

Pension liabilities
The Group companies have several pension schemes in different countries based on local conditions and practices. These pension schemes are defined either as defined contribution plans or defined benefit pension plans. Payments for defined contribution plans are recorded as expenses in the income statement for the period they relate to.

All material pension arrangements in the Group are defined contribution plans.

26. Provisions

Accounting policies

Provisions
A provision is entered into the statement of financial position if the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions may be related to the reorganization of activities, unprofitable agreements, environmental obligations, trials, and tax risks. Warranty provisions include the cost of product replacement during the warranty period.

EUR million	Warranty provision	Restructuring provision	Total
Jan 1, 2025	1.6	0.0	1.6
Provisions made	1.6	0.0	1.6
Provisions used	0.0	0.0	0.0
Unused provisions reversed	-1.6	0.0	-1.6
Dec 31, 2025	**1.6**	**0.0**	**1.6**

EUR million	2025	2024
Current provisions	**1.6**	1.6

Warranty provision

The goods are sold with a normal warranty period. Additionally, a Hakka Guarantee warranty has been established in certain markets for certain products to compensate tire damages not covered by the normal warranty, one year after the purchase and to a certain wear limit. Damaged goods will be repaired at the cost of the company or replaced with a corresponding product. Activating the Hakka Guarantee requires the end customer to register for the service. The provisions are based on the sales and statistical compensation volumes of the tyres sold under these warranties. The warranty provisions are expected to be utilised within one year.

27. Interest-bearing financial liabilities

EUR million	2025	2024
Non-current		
Loans from financial institutions and pension loans	**544.9**	557.3
Bond loans	**99.6**	99.4
	644.5	656.7
Current		
Commercial papers	**39.9**	2.0
Current portion of non-current loans from financial institutions and pension loans	**12.5**	0.9
	52.4	2.9
Total	**696.9**	659.6

All interest-bearing financial liabilities are denominated in euros.

Effective interest rates for interest-bearing financial liabilities

	2025		2024	
	Without hedges	With hedges	Without hedges	With hedges
Loans from financial institutions and pension loans	**3.6%**	**3.9%**	4.3%	4.3%
Bond loans	**5.3%**	**5.3%**	5.3%	5.3%
Commercial papers	**2.3%**	**2.3%**	4.5%	4.5%
Total	**3.7%**	**4.0%**	4.5%	4.4%

See note 16 for the fair values of the interest-bearing financial liabilities.

Interest-bearing net debt

EUR million	2025	2024
Financial liabilities, non-current	**644.5**	656.7
Financial liabilities, current	**52.4**	2.9
Lease liabilities	**114.1**	129.6
Liquid funds	**-146.9**	-176.1
Total	**664.0**	613.1

Changes in interest-bearing net debt

2025 EUR million	Carrying amount, Jan 1	Cash flows	Translation differences	Other changes	Carrying amount, Dec 31
Financial liabilities, non-current	**656.7**	**0.3**	**-**	**-12.5**	**644.5**
Financial liabilities, current	**2.9**	**36.8**	**-**	**12.6**	**52.4**
Lease liabilities	**129.6**	**-50.1**	**-0.8**	**35.4**	**114.1**
Liquid funds	**-176.1**	**28.2**	**1.0**	**-**	**-146.9**
Total	**613.1**	**15.3**	**0.1**	**35.5**	**664.0**

2024 EUR million	Carrying amount, Jan 1	Cash flows	Translation differences	Other changes	Carrying amount, Dec 31
Financial liabilities, non-current	404.0	253.5	-	-0.8	656.7
Financial liabilities, current	104.2	-102.1	-	0.8	2.9
Lease liabilities	130.3	-46.0	-1.8	47.1	129.6
Liquid funds	-414.9	238.5	0.3	-	-176.1
Total	223.6	343.9	-1.6	47.1	613.1

28. Trade and other payables

EUR million	2025	2024
Trade payables	**143.6**	160.6
Accrued expenses and deferred revenues	**135.2**	131.5
Advance payments	**0.0**	0.0
Derivative financial instruments		
Designated as hedges	**3.6**	6.2
Measured at fair value through profit or loss	**2.2**	1.1
Current tax liabilities	**5.0**	7.8
Value added tax liabilities	**25.7**	30.3
Other liabilities	**14.0**	18.0
Total	**329.4**	355.5

The carrying amount of trade and other payables is a reasonable approximation of their fair value.

EUR million	2025	2024
Significant items under accrued expenses and deferred revenues		
Wages, salaries and social security contributions	**37.0**	31.5
Annual discounts, sales	**78.4**	79.4
Commissions	**0.2**	0.2
Marketing expenses	**0.9**	1.0
Transportation costs	**1.2**	0.0
Financial items	**6.2**	7.2
Other items	**11.3**	12.1
Total	**135.2**	131.5

29. Financial risk management

The Group Treasury identifies, measures, manages, and monitors financial risks that could impact the Group's financial performance. This includes liquidity risk, credit risk, and market risks: foreign exchange risk, interest rate risk, commodities risk, and other market risks. The objective is to employ risk mitigation strategies and controls that align with the Group's risk appetite and protect against potential adverse financial outcomes.

The principles and targets of financial risk management are defined in the Group's treasury policy, which is approved by the Board. The Credit Committee makes credit decisions that have a significant impact on the credit exposure of the Group.

Financing activities and financial risk management are centralized to the parent company Treasury. It engages in financing and hedging transactions with external parties while also serving as the primary counterparty for business units in various financing undertakings, including funding, foreign exchange operations, and cash management.

Foreign currency risk

Foreign currency risk or exchange risk, arises from the potential changes in the value of one currency relative to another. As the Nokian Tyres Group operates in various countries and with several currencies, this risk can significantly impact financial performance.

The Nokian Tyres Group consists of the parent company in Finland, the sales companies in Sweden, Norway, the USA, Canada, Czech Republic, Germany, France, Switzerland, Poland, Spain and Ukraine, the tire chain companies in Finland, Sweden and Norway. The tire factories are located in Nokia, Finland, Dayton, US and Oradea, Romania.

Transaction risk

Transaction exposure occurs when the parent or a Group company has a foreign currency denominated monetary asset or liability, firm commitment or forecasted exposure that will be translated later to the company's functional/home currency.

The Group companies operate primarily with their functional currency and the transactions between the parent company and the Group companies are typically carried out in a functional currency of the respective Group company, which means that the transaction risk is mainly transferred into the parent company. However, for justified reasons, e.g. based on its business operations, a Group company can have foreign currency items.

The Group Treasury identifies, manages, and monitors significant transaction exposures in all Group companies. Currency forwards, currency options and cross-currency swaps are used as hedging instruments.

The primary transaction exposure of each non-functional currency against functional currency in the parent company and each Group company consists of balance sheet items and currency derivatives. The primary net exposure of each foreign currency is actively managed and hedged with appropriate derivative instruments or non-derivative alternatives with accepted counterparties.

According to the Group's treasury policy hedging is required when the primary net exposure in single currency is EUR 10 million or above. Additionally, the combined net exposure of all foreign currencies in the parent company must not exceed EUR 50m, ensuring that a simultaneous +/- 10 percent change in all foreign currencies against the euro does not create an impact of over EUR 5m on the income statement. Non-convertible currencies are an exception and are not hedged, as the means for covering the exposure are unavailable in the market.

The secondary transaction net exposure arises from future non-balance sheet transactions. This exposure may be hedged according to the market situation, with the hedge ratio reaching up to 70 percent of the highly probable forecasted exposure until the end of the following year.

Transaction risk

EUR million	Dec 31, 2025								Dec 31, 2024							
Functional currency	EUR	EUR	EUR	EUR	EUR	EUR	CZK	RON	EUR	EUR	EUR	EUR	EUR	EUR	CZK	RON
Foreign currency	CAD	NOK	PLN	RON	SEK	USD	EUR	EUR	CAD	NOK	PLN	RON	SEK	USD	EUR	EUR
Trade receivables	24.2	41.2	16.9	0.4	25.1	22.5	13.4	0.0	20.5	29.5	15.0	2.0	23.6	11.7	27.0	0.0
Loans and receivables	2.4	27.6	0.2	117.3	16.9	29.9	8.8	10.2	1.8	35.2	0.0	178.9	18.7	16.6	0.0	0.1
Total currency income	26.6	68.9	17.2	117.7	42.0	52.4	22.2	10.2	22.3	64.6	15.0	181.0	42.3	28.2	27.0	0.1
Trade payables	-0.4	0.0	-0.3	-12.2	0.0	-21.2	-22.4	-15.1	-0.1	0.0	-0.4	0.0	0.0	-34.1	-31.6	-10.9
Borrowings	-27.8	-41.7	-7.1	0.0	-18.5	-27.4	0.0	0.0	-21.6	-40.1	-8.2	0.0	-13.8	0.0	-1.6	0.0
Total currency expenditure	-28.2	-41.7	-7.4	-12.2	-18.5	-48.6	-22.4	-15.1	-21.7	-40.1	-8.6	0.0	-13.8	-34.1	-33.2	-10.9
Foreign exchange derivatives	1.9	-25.8	-7.1	-97.2	-25.9	-12.3	7.0	0.0	-0.7	-23.7	-7.0	-173.3	-28.8	-4.8	9.5	0.0
Primary net exposure	0.3	1.4	2.7	8.4	-2.4	-8.5	6.8	-4.9	-0.1	0.8	-0.7	7.7	-0.3	-10.7	3.2	-10.9

Translation risk

The translation exposure refers to the net investment in a foreign operation that must be translated into the Group reporting currency at the end of each financial reporting period. The foreign exchange differences arising from the translation of the results and financial position of a foreign operation are recognized in other comprehensive income (OCI). Translation exposure is a non-cash item until an asset is sold.

Net investments in foreign operations are not hedged and the volatility due to foreign exchange changes in OCI is accepted. Additionally, the cash flow mismatch between net investments and hedges is avoided. When a foreign subsidiary is expected to generate net income and thereby dividend flows, those expected cash flows can be hedged partly or in total.

Group's total other comprehensive income was negatively affected by translation differences on foreign operations by EUR 64.7 (positively affected 27.0) million.

Translation risk

Net investments by currency

EUR million	Dec 31, 2025	Dec 31, 2024
Currency of net investment		
CAD	**22.5**	22.8
CZK	**10.6**	14.5
NOK	**52.2**	53.2
RON	**397.7**	198.6
SEK	**44.6**	43.3
USD	**469.1**	527.7

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the base currency against the quote currency, with all other variables held constant, of the Group's profit before tax and equity due to changes in the fair value of financial assets and liabilities.

A reasonably possible change is assumed to be a 10% base currency appreciation or depreciation against the quote currency. A change of a different magnitude can also be estimated fairly accurately because the sensitivity is nearly linear.

	Dec 31, 2025				Dec 31, 2024			
	Base currency				Base currency			
	10% stronger		10% weaker		10% stronger		10% weaker	
EUR million	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Base currency / Quote currency								
EUR/CAD	**0.0**	**-**	**0.0**	**-**	-0.5	-	-0.1	-
EUR/CZK	**0.7**	**-**	**-0.7**	**-**	0.4	-	-0.4	-
EUR/PLN	**-0.3**	**-**	**0.3**	**-**	0.1	-	-0.1	-
EUR/NOK	**-0.4**	**-**	**0.2**	**-**	-0.4	-	-0.1	-
EUR/RON	**-1.3**	**-**	**1.3**	**-**	-1.9	-	1.9	-
EUR/SEK	**0.1**	**-**	**-0.5**	**-**	0.0	-	0.0	-
EUR/USD	**0.8**	**-**	**-0.8**	**-**	1.0	-	-1.0	-

Interest rate risk

The Group Treasury manages interest rate risks associated with the Group's borrowings. The objective of the interest rate risk management is to reduce uncertainty related to interest expenses and mitigate the impact of adverse interest rate fluctuations.

The aim is that 25–75 percent of the interest rate risk exposure is effectively fixed-rate debt including the potential interest rate derivatives. The planned refinancing and new non-current interest-bearing financial debts included in the interest rate risk exposure can be managed with interest rate derivatives not earlier than 12 months before the drawdown. The Group uses interest rate derivatives as cash flow hedges and hedge accounting is mainly applied for those derivatives.

On the reporting date the floating rate interest-bearing financial liabilities amounted to EUR 294.9 (257.3) million and the fixed rate interest-bearing liabilities EUR 401.9 (402.3) million including the interest rate derivatives. The share of the fixed rate non-current interest-bearing financial liabilities including their current portion was 61 (61) percent and the average fixing period of the interest-bearing financial liabilities was 20 (11) months including the interest rate derivatives.

Commodity price risk
Derivatives are not used to hedge commodity price risk, except for electricity price risk in Finland and Romania.

The Group procures approximately 110 GWh of electricity annually in Finland from the Nordic electricity exchange, resulting in exposure to electricity price fluctuations. To manage this risk, electricity purchases are hedged using derivatives, adhering to the pre-defined hedge ratios outlined in the procurement policy for the next five years. On the reporting date the energy amount of the electricity derivatives amounted to 210 (210) GWh.

In Romania, the Group will procure around 200 GWh of electricity annually at the market price. The Group has entered into a virtual power purchase agreement (VPPA) to ensure the supply of zero CO_2 emission energy and to hedge against the local forecast electricity purchase price risk. The VPPA is valid until the end of 2035, with an annual forecast contract volume of around 60 GWh.

The ineffective portion of cash flow hedge electricity derivatives for Romania amounted EUR 0.6m in 2025 and was recognized in other operating income.

Sensitivity analysis for interest rate risk
The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax through the impact on floating rate borrowings and interest rate hedges measured at fair value through profit or loss and the Group's equity due to changes in the fair value of cash flow hedges.

A reasonably possible change is assumed to be a 1 %-point increase or decrease of the market interest rates. A change of a different magnitude can also be estimated fairly accurately because the sensitivity is nearly linear.

	Dec 31, 2025				Dec 31, 2024			
	Interest rate				Interest rate			
	1%-point higher		1%-point lower		1%-point higher		1%-point lower	
EUR million	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Impact of interest rate change	**-5.5**	**5.9**	**5.5**	**-5.9**	-5.5	8.8	5.5	-8.8

Sensitivity analysis for electricity price risk
The following table demonstrates the sensitivity to a reasonably possible change in electricity price, with all other variables held constant, of the Group's profit before tax and equity due to changes in the fair value of the electricity derivatives.

A reasonably possible change is assumed to be a 5 EUR/MWh increase or decrease of the electricity market prices. A change of a different magnitude can also be estimated fairly accurately because the sensitivity is nearly linear.

	Dec 31, 2025				Dec 31, 2024			
	Electricity price				Electricity price			
	5 EUR/MWh higher		5 EUR/MWh lower		5 EUR/MWh higher		5 EUR/MWh lower	
EUR million	Income statement	Equity	Income statement	Equity	Income statement	Equity	Income statement	Equity
Impact of electricity price change								
Electricity forwards. Finland	**-**	**1.4**	**-**	**-1.4**	-	1.0	-	-1.0
VPPA*, Romania	**-**	**2.3**	**-**	**-2.3**	-	2.2	-	-2.2

*Virtual Power Purchase Agreement

Liquidity and funding risk

In accordance with the Group's treasury policy, Treasury is responsible for maintaining the Group's liquidity, efficient cash management and sufficient sources of funding. The committed credit limits cover all funding needs, such as outstanding commercial papers, other current loans, working capital changes arising from operative business and investments.

The Group has arranged 55 percent of its interest-bearing financial liabilities including credit limits as sustainability-linked arrangements with KPIs related to e.g. Greenhouse Gas (GHG) Scope 1 and 2 emission intensity and Scope 3 emission intensity from product use. Refinancing risk is reduced by split maturity structure of loans and credit limits.

Total of EUR 100 million bilateral revolving credit facilities due in 2026 were replaced with bilateral revolving credit facilities of the same amount maturing in 2027 and including extension options of up to two years. A EUR 200 million revolving sustainability-linked credit facility, due in 2028, was extended to 2029 by exercising the last of two one-year extension options. In addition, the Group has a EUR 500 million domestic commercial paper program. The current credit limits and the commercial paper program are used to finance inventories, trade receivables, subsidiaries in distribution chains and thus to control the typical seasonality in the Group's cash flows.

On the reporting date the Group's liquidity in cash and cash equivalents was EUR 146.9 (176.1) million. At the end of the year the Group's credit limits available were EUR 764.7 (803.3) million, out of which the committed limits were EUR 304.5 (304.4) million. The available committed non-current credits amounted to EUR 300.0 (300.0) million.

The Group's interest-bearing financial liabilities totaled EUR 696.9 (659.6) million. All the interest-bearing financial liabilities were in EUR. The average interest rate of interest-bearing financial liabilities was 4.0 percent. Current interest-bearing financial liabilities, including the current portion of non-current financial liabilities maturing within the next 12 months, amounted to EUR 52.4 (2.9) million.

The Group reports the main financial covenants to creditors quarterly. If the Group does not satisfy the requirements set in financial covenants, creditor may demand accelerated repayment of the credits. In 2025 the Group has met the requirement set in the financial covenant, which is linked to equity ratio which has to be at least at the level of 30 percent. Other covenants are related among others to restrict the disposal of the Group's major assets and the change of control of Nokian Tyres plc. Management monitors regularly that the covenant requirements are met.

Contractual maturities of financial and lease liabilities

		2025						
		Contractual maturities*						
EUR million	Carrying amount	2026	2027	2028	2029	2030	2031–	Total
Non-derivative financial liabilities								
Loans from financial institutions and pension loans								
Fixed rate loans	2.4	-0.6	-0.6	-0.6	-0.5	-0.3	-	-2.5
Floating rate loans	555.1	-32.0	-336.4	-128.7	-29.4	-25.0	-48.1	-599.6
Bond loans	99.6	-5.1	-5.1	-105.1	-	-	-	-115.4
Commercial papers	39.9	-40.0	-	-	-	-	-	-40.0
Trade and other payables	143.6	-143.6	-	-	-	-	-	-143.6
Bank overdraft	-	-	-	-	-	-	-	-
Lease liabilities	114.1	-44.2	-27.1	-19.3	-11.0	-6.7	-17.9	-126.2
Derivative financial liabilities								
Interest rate derivatives								
Designated as hedges	1.7	-1.3	-0.7	0.1	0.2	0.3	0.4	-1.0
Foreign currency derivatives								
Measured at fair value through profit or loss								
Cashflow out	2.2	-208.3	-	-	-	-	-	-208.3
Cashflow in	-2.8	208.6	-	-	-	-	-	208.6
Electricity derivatives								
Designated as hedges, Finland	0.3	-0.3	-0.1	0.0	0.0	-	-	-0.3
Designated as hedges, Romania	-8.4	1.5	1.5	1.3	1.1	1.0	4.5	10.9
Total	947.5	-265.1	-368.5	-252.4	-39.6	-30.8	-61.1	-1,017.5

*The figures are undiscounted and include both the finance charges and the repayments.

Contractual maturities of financial and lease liabilities

		2024						
	Carrying amount	Contractual maturities*						
EUR million		2025	2026	2027	2028	2029	2030–	Total
Non-derivative financial liabilities								
Loans from financial institutions and pension loans								
Fixed rate loans	2.9	-0.6	-0.6	-0.6	-0.6	-0.5	-0.3	-3.1
Floating rate loans	555.2	-24.8	-328.9	-131.7	-28.1	-30.5	-74.5	-618.6
Bond loans	99.4	-5.1	-5.1	-5.1	-105.1	0.0	0.0	-120.5
Commercial papers	2.0	-2.0	-	-	-	-	-	-2.0
Trade and other payables	160.6	-160.6	-	-	-	-	-	-160.6
Bank overdraft	0.2	-0.2	-	-	-	-	-	-0.2
Lease liabilities	129.6	-48.5	-35.6	-19.0	-11.5	-6.6	-21.3	-142.5
Derivative financial liabilities								
Interest rate derivatives								
Designated as hedges	4.0	-0.8	-1.8	-1.0	-0.2	-0.1	-0.1	-4.0
Foreign currency derivatives								
Measured at fair value through profit or loss								
Cashflow out	1.1	-318.5	-	-	-	-	-	-318.5
Cashflow in	-1.9	318.1	-	-	-	-	-	318.1
Electricity derivatives								
Designated as hedges, Finland	1.2	-0.6	-0.5	-0.2	0.0	-	-	-1.3
Designated as hedges, Romania	-6.1	0.5	1.6	1.4	1.0	0.6	2.8	7.9
Total	948.2	-243.2	-370.9	-156.2	-144.5	-37.2	-93.3	-1,045.3

*The figures are undiscounted and include both the finance charges and the repayments.

Credit risk

Credit risk is a risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk in its operating activities, primarily trade receivables, and in its financing activities, including deposits, foreign exchange transactions and other financial transactions with banks and financial institutions.

The credit risk in financial transactions is controlled by doing business only with banks and financial institutions with good credit ratings. In investments the Group's placements are current and funds are invested only in solid domestic large-cap or mid-cap listed companies or public institutions which meet the criteria set by the treasury policy.

The principles of customer credit risk management are documented in the Group's credit policy approved by the Board. The Credit Committee makes all the significant credit decisions. Customer credit risk is managed by each business area subject to the Group's credit policy, procedures, and controls relating to customer credit risk management. Creditworthiness of a customer is assessed based on its financial status, payment history, and country risk. Individual credit limits are defined in accordance with this assessment and/or in some cases trade finance instruments, bank guarantees, and specific payment terms may be in use to mitigate the credit risk. Credits are limited in countries where political or economic environment is unstable. Outstanding customer receivables, customers' creditworthiness, and country risk are regularly monitored. Payment programs, which customer is committed to, are agreed upon for past due receivables. There are no customer or country risk concentrations exceeding 15 percent in trade receivables, except for an 18 percent share of customers in Norway and a 17 percent share of customers in the US (none in 2024) on the reporting date.

Aging and impairment of trade receivables

Impairment recognized in trade receivables corresponds to lifetime expected credit losses for trade receivables. To measure expected credit losses a simplified provision matrix is in use and individual assessments are used with customers bearing an increased credit risk. An impairment analysis is performed at each reporting date. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables. When measuring expected credit losses, the Group reviews five-year sales, customer payment behavior, actual credit losses, current conditions and forecasts of future economic conditions. Trade receivables are permanently written-off when the expected income from the receivable is permanently lost, for example at the end of bankruptcy proceedings.

The aging and impairment of trade receivables

	Dec 31, 2025		Dec 31, 2024	
EUR million	**Trade receivables gross amount**	**Impairment loss allowance**	**Trade receivables gross amount**	**Impairment loss allowance**
Not past due	**231.6**	**-1.0**	248.9	-1.1
Past due less than 30 days	**14.3**	**-0.3**	19.6	-0.4
Past due between 30 and 90 days	**5.6**	**-0.3**	2.6	-0.1
Past due between 91 and 180 days	**1.5**	**-0.2**	1.2	-0.2
Past due more than 180 days	**32.1**	**-30.2**	41.2	-37.6
Total	**285.0**	**-32.0**	313.4	-39.5

Changes in the impairment loss allowance for trade receivables

EUR million	**2025**	**2024**
Loss allowance, Jan 1	**39.5**	43.3
Write-offs	**-8.1**	-3.3
Other changes	**0.9**	-0.6
Change in loss allowance recognized in profit or loss	**-0.3**	-
Loss allowance, Dec 31	**32.0**	39.5

Capital management

The Group's objectives of managing capital are to maximize the shareholder value and to secure the Group's access to capital markets at all times despite of the seasonal nature of the business. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders or return capital to shareholders or issue new shares. Capital structure is monitored by net debt to EBITDA ratio and equity ratio. Equity ratio has to be at least at the level of 30 percent in accordance with the financial covenant. Equity ratio is calculated as a ratio of total equity to total assets excluding advances received.

Net debt / EBITDA

EUR million	2025	2024
Average interest-bearing liabilities	**940.7**	801.3
Less: Average liquid funds	**111.3**	198.8
Average net debt	**829.4**	602.5
Operating profit	**35.8**	1.8
Add: Depreciations, amortizations and impairments	**142.2**	124.2
EBITDA	**178.1**	126.0
Average net debt / EBITDA	**4.66**	4.78

Equity ratio

EUR million	2025	2024
Equity attributable to equity holders of the parent	**1,164.2**	1,272.4
Add: Non-controlling interest	**-**	-
Total equity	**1,164.2**	1,272.4
Total assets	**2,313.8**	2,423.7
Less: Advances received	**0.0**	0.0
Adjusted total assets	**2,313.7**	2,423.7
Equity ratio	**50.3%**	52.5%

30. Fair values of derivative financial instruments

Accounting policies

Derivative financial instruments and hedge accounting
The Group uses derivative financial instruments to hedge its interest rate, foreign currency, and commodity price risk exposures. Derivatives are recognized initially at fair value and subsequently measured at fair value. Publicly quoted market prices and rates as well as the generally used measurement models are used to define the fair value of derivatives. The data and assumptions used in the measurement models are based on verifiable market prices and values.

Fair value changes of derivatives are recognized in profit or loss unless the derivative is part of a hedging relationship when fair value changes are recognized according to the hedge accounting standards for hedging relationships.

In general, hedge accounting is not applied to the derivatives used to hedge cash flows from the Group's business operations in foreign currencies.

Hedge accounting can be used to reduce the volatility in the income statement caused by the items measured at fair value through profit or loss. Hedge accounting eliminates the accounting asymmetry between the hedging instrument and the hedged item as it enables the aforesaid to affect the income statement simultaneously. The Group may designate derivative financial instruments as hedging instruments to hedge the variability in cash flows that is attributable to changes in foreign exchange rates, interest rates, and commodity prices. In addition, the Group may, if necessary, designate derivative financial instruments and other financial instruments as hedging instruments in hedges of foreign exchange risk on a net investment in a foreign operation.

At the inception of hedge accounting for a hedging relationship, the Group designates and documents the hedging relationship and the risk management objective and strategy for undertaking the hedge. The documentation includes an assessment whether the hedge effectiveness requirements are met in the hedging relationship. The Group aims to use hedging instruments that create no ineffective portion.

Cash flow hedges
In cash flow hedges, the effective portion of changes in the fair value of the hedging instrument is recognized in other comprehensive income and accumulated in the cash flow hedge reserve in equity. Any ineffective portion of changes in fair value is recognized immediately in profit or loss. The amount accumulated in the cash flow hedge reserve is reclassified to profit or loss as the hedged item affects profit or loss.

The Group may apply hedge accounting to interest rate swaps by which floating rate borrowings have been converted into fixed rate borrowings and interest rate and currency swaps where foreign currency floating rate loan receivables have been converted into functional currency floating rate loan receivables. The gains or losses related to both the effective and ineffective portion of the hedge are presented in income statement within financial items.

The price risk of the Group's forecast electricity purchases in Finland is hedged with electricity derivatives to which hedge accounting is applied. The Group may separately hedge the two components of electricity price risk, system price, and area price difference, or a combination of these components. In Romania, the Group has entered into a virtual power purchase agreement (VPPA) to ensure the supply of zero CO_2 emission energy and to hedge against the local forecast electricity purchase price risk. These contracts result in the recognition of derivatives, as there is no physical delivery of electricity, and they are also subject to hedge accounting. The gain or loss related to the effective portion of the hedges is presented in income statement within the cost of sales. The ineffective portion is recognised in income statement within other operating income or expenses.

Hedge of a net investment in a foreign operation
Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. The effective portion of changes in the fair value of the hedging instrument is recognized in other comprehensive income and accumulated in the translation reserve in equity. Any ineffective portion of changes in fair value is recognized immediately in profit or loss. The amount accumulated in the translation reserve is reclassified to profit or loss on the disposal or partial disposal of the foreign operation.

The Group does not currently have hedges of a net investment in a foreign operation.

	2025			2024		
EUR million	**Notional amount**	**Fair value assets**	**Fair value liabilities**	**Notional amount**	**Fair value assets**	**Fair value liabilities**
Derivatives measured at fair value through profit or loss						
Foreign currency derivatives						
Currency forwards	**208.3**	**2.8**	**2.1**	318.6	1.8	1.0
Currency options, purchased	**10.7**	**0.0**	**-**	10.9	0.1	-
Currency options, written	**15.6**	**-**	**0.1**	29.4	-	0.1
Derivatives designated as cash flow hedges						
Interest rate derivatives						
Interest rate swaps	**300.0**	**1.4**	**3.1**	300.0	7.8	11.8
Electricity derivatives						
Electricity forwards, Finland	**9.1**	**0.1**	**0.4**	9.0	0.1	1.3
VPPA*, Romania	**35.6**	**8.4**	**-**	36.4	6.1	-

*Virtual Power Purchase Agreement

Derivatives are maturing within the next 12 months excluding the interest rate swaps and electricity forwards.

The fair value of forward exchange contracts is measured using the forward rates on the reporting date. The fair value of currency options is calculated using an option valuation model.

The fair values of interest rate derivatives are determined as the present value of the future cash flows based on market interest rates on the reporting date.

The fair value of electricity derivatives is based on quoted market prices in active markets on the reporting date.

31. Financial instruments designated as hedging instruments

Cash flow hedges

Financial instruments designated as hedging instruments

	2025						
	Maturity						
	2026	2027	2028	2029	2030	2031–	Total
Interest rate swaps							
Hedged item: Floating rate EUR debt							
Notional amount, EUR million	**50.0**	**100.0**				**150.0**	**300.0**
Average fixed rate	**2.8%**	**3.1%**				**2.4%**	**2.7%**
Electricity forwards, Finland							
Hedged item: Electricity system price							
Notional amount, EUR million	**3.7**	**2.9**	**1.4**	**0.7**			**8.6**
Notional amount, GWh	**88**	**70**	**35**	**18**			**210**
Average forward rate, e/MWh	**41.8**	**40.9**	**39.9**	**40.3**			**41.1**
Hedged item: Electricity Finnish area price difference							
Notional amount, EUR million	**0.2**	**0.1**	**0.1**	**0.1**			**0.4**
Notional amount, GWh	**59**	**53**	**26**	**18**			**155**
Average forward rate, e/MWh	**2.8**	**2.1**	**2.9**	**3.5**			**2.7**
VPPA*, Romania							
Hedged item: Electricity spot price							
Forecast notional amount, EUR million	**3.1**	**3.6**	**3.6**	**3.6**	**3.6**	**18.1**	**35.6**
Forecast notional amount, GWh	**52**	**62**	**62**	**62**	**62**	**309**	**609**
Average forward rate, e/MWh	**58.5**	**58.5**	**58.5**	**58.5**	**58.5**	**58.5**	**58.5**

*Virtual Power Purchase Agreement

	2024						
	Maturity						
	2025	2026	2027	2028	2029	2030–	Total
Interest rate swaps							
Hedged item: Floating rate EUR debt							
Notional amount, EUR million		50.0	100.0			150.0	300.0
Average fixed rate		2.8%	3.1%			2.4%	2.7%
Electricity forwards							
Hedged item: Electricity system price							
Notional amount, EUR million	3.5	3.0	1.8	0.7			9.1
Notional amount, GWh	79	70	44	18			210
Average forward rate, e/MWh	44.1	42.8	42.2	41.2			43.0
Hedged item: Electricity Finnish area price difference							
Notional amount, EUR million	0.0						0.0
Notional amount, GWh	18						18
Average forward rate, e/MWh	-1.3						-1.3
VPPA*, Romania							
Hedged item: Electricity spot price							
Forecast notional amount, EUR million	0.7	3.1	3.6	3.6	3.6	21.7	36.4
Forecast notional amount, GWh	13	52	62	62	62	371	621
Average forward rate, e/MWh	58.5	58.5	58.5	58.5	58.5	58.5	58.5

*Virtual Power Purchase Agreement

Effect of hedging instruments on the statement of financial position and statement of comprehensive income

	2025		
	Interest rate derivatives	Electricity derivatives	
EUR million	**Interest rate swaps**	**Electricity forwards, Finland**	**VPPA*, Romania**
Notional amount	**300.0**	**9.1**	**35.6**
Notional amount, GWh	**-**	**366**	**609**
Assets			
Carrying amount	**1.4**	**0.1**	**8.4**
Line item in the statement of financial position	**Trade and other receivables**	**Trade and other receivables**	**Trade and other receivables**
Liabilities			
Carrying amount	**3.1**	**0.4**	**-**
Line item in the statement of financial position	**Trade and other payables**	**Trade and other payables**	**Trade and other payables**
Change in value for recognizing hedge ineffectiveness			
Hedged item	**-1.9**	**-0.6**	**-2.4**
Hedging instrument	**1.9**	**0.6**	**2.4**
Effective portion			
Amount recognized in other comprehensive income	**1.9**	**0.6**	**1.8**
Amount reclassified from the cash flow hedge reserve to profit or loss	**1.0**	**0.3**	**-**
Line item in the income statement	**Financial items**	**Cost of sales**	**Cost of sales**
Ineffective portion			
Amount recognized in profit or loss	**-**	**-**	**0.6**
Line item in the income statement	**Financial items**	**Other operating income or expenses**	**Other operating income or expenses**

*Virtual Power Purchase Agreement

	2024		
	Interest rate derivatives	Electricity derivatives	
EUR million	**Interest rate swaps**	**Electricity forwards, Finland**	**VPPA*, Romania**
Notional amount	300.0	9.0	36.4
Notional amount, GWh	-	228	621
Assets			
Carrying amount	7.8	0.1	6.1
Line item in the statement of financial position	Trade and other receivables	Trade and other receivables	Trade and other receivables
Liabilities			
Carrying amount	11.8	1.3	-
Line item in the statement of financial position	Trade and other payables	Trade and other payables	Trade and other payables
Change in value for recognizing hedge ineffectiveness			
Hedged item	3.5	3.0	-6.1
Hedging instrument	-3.5	-3.0	6.1
Effective portion			
Amount recognized in other comprehensive income	-3.5	-3.0	6.1
Amount reclassified from the cash flow hedge reserve to profit or loss	-2.0	1.0	-
Line item in the income statement	Financial items	Cost of sales	Cost of sales
Ineffective portion			
Amount recognized in profit or loss	-	-	0.0
Line item in the income statement	Financial items	Other operating income or expenses	Other operating income or expenses

*Virtual Power Purchase Agreement

Effect of hedging instruments on equity

EUR million	2025	2024
Cash flow hedge reserve, Jan 1	**0.8**	1.6
Cash flow hedges		
Change in fair value recognized in other comprehensive income		
Interest rate swaps	**1.9**	-3.5
Electricity forwards, Finland	**0.6**	-3.0
VPPA*, Romania	**1.8**	6.1
Amount reclassified to profit or loss		
Interest rate swaps	**1.0**	-2.0
Electricity forwards, Finland	**0.3**	1.0
VPPA*, Romania	**-**	-
Tax effect	**-1.0**	0.5
Cash flow hedge reserve, Dec 31	**5.3**	0.8

*Virtual Power Purchase Agreement

32. Contingent liabilities and assets

Accounting policies

Contingent liabilities and contingent assets
A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the realization of an uncertain future event not totally controllable by the Group. A contingent liability is also defined as a present obligation that probably will not require the settlement of the obligation or that cannot be measured reliably. A contingent liability is disclosed in the notes to the consolidated financial statements.

Correspondingly, a contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the realization of an uncertain future event not totally controllable by the Group. In case an inflow of economic benefits is probable, a contingent asset is disclosed in the notes to the consolidated financial statements.

EUR million	2025	2024
For own debt		
Pledged assets	**3.8**	5.9
Other own commitments		
Guarantees	**1.2**	1.2

33. Significant risks, uncertainties, and ongoing disputes

Several uncertainties can impact Nokian Tyres' business and financial performance. The Group has adopted a risk management policy, approved by the Board of Directors, which supports the achievement of strategic goals and ensures business continuity. The risk management process aims to identify and evaluate threats and opportunities and to plan and implement practical measures for each risk. Nokian Tyres describes the overview of its risk management systems in the Corporate Governance Statement.

For example, the following risks could potentially have an impact on Nokian Tyres' business:

Economic and geopolitical uncertainty

Nokian Tyres is exposed to risks related to consumer confidence and macroeconomic and geopolitical conditions. International tensions and increasing global uncertainty may lead to economic recession, create trade barriers such as tariffs, and cause global or regional crises that may significantly affect product demand or cause widespread disruptions in production and supply chain. These factors may adversely affect Nokian Tyres' financial performance and the collection of trade receivables.

Risk mitigation measures: continuous monitoring of the operating environment and markets. The company's ability to respond quickly and adapt its operations to a changing environment. Creating a balanced manufacturing platform. Acting in accordance with the contingency plan.

Changes in consumer behavior

The weakening of consumer confidence has shifted demand towards more affordable products and delayed purchase decisions. The tire wholesale and retail landscape is evolving with digitalization to meet changing consumer needs. Nokian Tyres aims to adapt to changes in the sales channel and to innovate

and develop new products and services that appeal to customers and consumers. Despite extensive testing of products, issues related to product quality and inability to meet customer needs or demands of performance and safety can harm Nokian Tyres' reputation and brand, thereby negatively affecting the company's financial profitability and growth opportunities.

Risk mitigation measures: ensuring high-quality research and development. Continuously monitoring markets and consumer needs to anticipate consumer preferences. Sufficient resources for product testing. Developing distribution channels and network.

Production and commercial operations in Europe

To ensure tire availability, Nokian Tyres is investing in new zero-CO_2-emissions production capacity in Romania. While commercial production has commenced as planned, temporary delays in ramping up production processes or challenges related to commercial execution in a competitive market may negatively impact Nokian Tyres' financial performance and growth opportunities, especially in Central Europe.

Risk mitigation measures: close monitoring of the ramp-up, markets and consumer needs. Preparation and continuous follow-up of a risk management plan. Ability to quickly react to significant changes. Retention and recruitment of skilled personnel.

Currency market

Nokian Tyres' operations are exposed to currency risks arising from currency transactions and the translation of subsidiary financial statements, which may affect Nokian Tyres' results and profitability. The most significant currency risks are caused by the Swedish krona, the Norwegian krone, the US and Canadian dollars and the Romanian leu. Approximately 60 percent of the Group's sales are generated outside the euro-zone. The most significant net investments in foreign operations are in the US and Romania. A weakening of the US dollar benefits Nokian Tyres in currency transactions due to its net-buy position, but it has a negative impact through translation exposure. The impact of fluctuations in the Romanian leu primarily arises through translation exposure. Expenses in the Swedish, Norwegian, and Canadian subsidiaries are predominantly incurred in local currencies, which mitigates the impact of currency fluctuation on sales denominated in those currencies.

Risk mitigation measures: hedging against the effects of exchange rate fluctuations according to the hedging strategy.

Information technology and cybersecurity

The availability of information systems and network services is crucial to Nokian Tyres. Unplanned interruption in critical information systems and network services may cause disruption to the continuity of operations. These systems and services may also be exposed to cyberattacks, which may lead to a leakage of confidential information, violation of data privacy regulations or intellectual property rights, production and delivery interruptions, or reputational damage. Risk analyses and projects related to cybersecurity, data protection, and customer information are continuously a special focus area for the company.

Risk mitigation measures: sufficient investments and resources in IT infrastructure and capabilities, as well as cybersecurity. Appropriate plans to respond to disruptions in information systems and network services, including backup systems and recovery plans. Continuous monitoring of cybersecurity and data protection and vulnerability management. Employee training.

Diversified customer base

Ensuring a diversified customer base and fostering strong customer relationships help reduce sales risk and create long-term business stability. Excessive concentration of the customer base can make the company dependent on a limited number of large customers, exposing the business to risks and potentially leading to a decline in sales and profitability.

Risk mitigation measures: continuous monitoring of the markets and proactive response to changes in the customer base. Deepening cooperation with existing key customers, for example, in the development of new products. Expanding the customer base geographically and in selected segments within current markets. Developing the distribution network and services, especially in key growth areas.

Environment, social responsibility and governance

Various aspects of corporate sustainability, including product quality, safety, the environment, and human rights, are increasingly important. Legislation and regulation, particularly around environmental, social responsibility and governance (ESG) issues, are increasing and placing additional requirements to all actors in the value chain. Non-compliance with laws, regulations, or standards by Nokian Tyres or its suppliers, customers, or partners, neglecting new and tightening requirements, or incorrectly interpreting them may result in additional costs for Nokian Tyres or lead to fines and damage the company's reputation and brand. Over-reliance on individual suppliers increases the risk related to the availability of sustainable raw materials.

Risk mitigation measures: strong commitment to achieving ESG targets. Development and implementation of internal guidance, processes and training to ensure compliance. Active monitoring of upcoming laws and regulations. Expanding the supplier network. Regular environmental, human rights, and quality audits.

Climate change

Tire industry may be subject to risks caused by climate change, such as changes in consumer preferences and regulatory changes. Extreme weather events may also affect natural rubber

production, and fluctuations in raw material prices as well as new environmental fees may increase, potentially impacting profitability. Nokian Tyres is committed to reducing GHG emissions annually from its operations to combat climate change.

Risk mitigation measures: increasing use of recyclable and renewable raw materials to cut GHG emissions and other environmental impacts. Membership in industry associations helps identify new sustainable product development and business opportunities.

Employee retention and competence

Nokian Tyres' success relies on employing the right people in the right positions. Failure to attract competent and committed professionals, coupled with an inability to provide a motivating work environment, may have an adverse impact on the implementation of Nokian Tyres' strategy and the achievement of its financial targets.

Risk mitigation measures: creating an attractive and safe workplace, including up-to-date work tools and competitive salaries and other benefits. Providing opportunities for career development. Developing employer brand to attract the best talent. Ensuring critical competencies and targeted recruitment.

Legal proceedings

In January 2024, the European Commission initiated an unannounced inspection at Nokian Tyres plc's headquarters in Nokia, Finland. The European Commission has expressed its concerns that the inspected tire manufacturing companies may have violated EU antitrust rules that prohibit cartels and restrictive business practices. Nokian Tyres does not have information on the outcome of the inspection, and it cannot comment on the ongoing investigation. Nokian Tyres is fully co-operating with the authorities.

Lawsuits in the United States and Canada followed the news of the European Commission inspection. Nokian Tyres was named as a defendant in these lawsuits, along with other tire manufacturers. The lawsuits allege violations by the defendants of antitrust laws with respect to new replacement tires for passenger cars, vans, trucks and busses sold in the relevant jurisdictions. The U.S. lawsuits have been consolidated to a multidistrict litigation in the U.S. District Court for the Northern District of Ohio. Nokian Tyres considers the lawsuits to be without merit, however, the ultimate outcome of which cannot be predicted at this time.

In May 2017, the Finnish Financial Supervisory Authority filed a request for investigation into possible securities market offences relating to alleged malpractices in magazine tests by Nokian Tyres. In October 2020 charges were filed against Nokian Tyres, its President and CEO and six Directors who served on the Board of Directors in 2015–2016, for securities market information offence. In addition, four employees of the company were charged with misuse of inside information. The District Court of Helsinki dismissed all charges in 2022. After an appeal, the Court of Appeal dismissed the charges against the company's former Directors. The former President and CEO was sentenced to a fine for a securities market information offence and the employees were sentenced to a fine or suspended imprisonment for misuse of inside information. The company was fined EUR 50,000 but was not found to have engaged in malpractices in magazine tests as alleged in the charges. The company decided not to apply for the leave.

Tax disputes

There are no ongoing tax disputes in Nokian Tyres entities. Routine tax audits in Nokian Tyres Group entities may possibly lead to a reassessment of taxes.

34. Related party transactions

Parent and Group company relations:

	Domicile	Country	Group holding, %	Voting rights, %	Parent company holding, %
Parent company					
Nokian Tyres plc	Nokia	Finland			
Group companies					
Nokian Heavy Tyres Ltd.	Nokia	Finland	100	100	100
Levypyörä Oy	Nastola	Finland	100	100	
Nokian Däck AB		Sweden	100	100	100
Nokian Dekk AS		Norway	100	100	100
Nokian Tyres GmbH		Germany	100	100	100
Nokian Tyres AG		Switzerland	100	100	100
Nokian Tyres SP Z.O.O		Poland	100	100	100
Nokian Tyres U.S. Holdings Inc.		USA	100	100	100
Nokian Tyres Inc		USA	100	100	
Nokian Tyres U.S. Operations LLC		USA	100	100	
Nokian Tyres Canada Inc.		Canada	100	100	100
Nokian Tyres s.r.o.		Czech Rep.	100	100	100
TOV Nokian Shina		Ukraine	100	100	100
Nokian Tyres Holding Oy	Nokia	Finland	100	100	100
Nokian Tyres Trading (Shanghai) Co Ltd		China	100	100	
NT Tyre Machinery Oy	Nokia	Finland	100	100	
Koy Nokian Nosturikatu 18	Nokia	Finland	100	100	100
Koy Nokian Rengaskatu 4	Nokia	Finland	100	100	100
Nokian Portti Oy	Turku	Finland	100	100	100
Nokian Tyres Spain S.L.U.		Spain	100	100	100
Nokian Tyres Spain Operations S.L.U		Spain	100	100	100
Nokian Tyres Europe Operations S.R.L.		Romania	100	100	100
Nokian Tyres SAS		France	100	100	100
Nokianvirran Energia Oy	Nokia	Finland	32.3	32.3	32.3
Vianor Holding Oy	Nokia	Finland	100	100	100
Vianor Oy	Lappeenranta	Finland	100	100	
Vianor AB		Sweden	100	100	
Nordic Wheels AB		Sweden	100	100	
Vianor AS		Norway	100	100	
EAM NRE1V Holding Oy		Finland	0	100	
Associated companies					
Sammaliston Sauna Oy	Nokia	Finland	33	33	33

Nokianvirran Energia Oy is a joint operation with three parties that supplies production steam for the tire plant in Nokia. The parties share control according to a specific Mankala-principle where the company is not intended to make profit while the parties have agreed to utilize the total output. The company is accounted for as a Group company using the proportionate consolidation method on each row according to the 32.3 percent shareholding.

The Board of Directors decided in their meeting on August 7, 2017, to implement a share acquisition and administration arrangement of Nokian Tyres Plc (Nokian Tyres) shares with Evli Awards Management Oy (EAM) according to the stipulations of the Companies Act for financing the purchase of own shares (the Finnish Companies Act, Chapter 13, Section 10, Subsection 2) relating to incentive plans. As a part of this arrangement EAM founded EAM NRE1V Holding Oy (Holding company) which acquires the shares with Nokian Tyres' funding and according to the agreement. These shares will be delivered to the employees according to the Nokian Tyres' share plan terms and conditions. The Holding company is owned by the EAM in legal terms, but according to the agreement Nokian Tyres has control over the company and acts as the principal, whereas EAM is an agent through the Holding company. This control arising from contractual terms means that the Holding company is consolidated into the Group's IFRS financial statements as a structured entity.

The related parties of the Group consist of members of the Board of Directors, the President, other key management personnel, and close members of their families.

Transactions and outstanding balances with parties having significant influence

1,000 euros	2025	2024
Key management personnel		
Employee benefit expenses		
Short-term employee benefits	**4,221.4**	4,006.4
Post-employment benefits	**225.7**	-
Share-based payments	**6.3**	19.9
Total	**4,453.4**	4,026.3
Remunerations		
Paolo Pompei, President and CEO (January 1, 2025–)	**820.2**	-
Jukka Moisio, President and CEO (May 27, 2020–December 31, 2024)	**-**	817.8
Members of the Board of Directors		
Jukka Hienonen	**129.0**	127.6
Elina Björklund	**90.0**	85.8
Susanne Hahn	**72.4**	70.3
Markus Korsten	**68.9**	69.6
Elisa Markula	**65.4**	62.6
Jouko Pölönen	**87.9**	88.6
Antti Mäkinen	**61.2**	-

1,000 euros	2025	2024
Prior members of the Board of Directors		
Pekka Vauramo	**2.8**	88.6
Christopher Ostrander	**87.9**	95.6
Reima Rytsölä	**4.2**	66.1
Veronica Lindholm	**-**	3.5
George Rietbergen	**-**	3.5
Total	**669.7**	761.8

No incentives were paid to the members of the Board of Directors. In addition to the above remuneration, the Company paid asset transfer taxes arising from the acquisition of shares from fixed pay.

1,000 euros	2025	2024
Other key management personnel	**2,731.5**	2,426.7
of which incentives for the reported period	**174.0**	19.9

No special pension commitments have been granted to the members of the Board of Directors and no statutory pension expense incurs.President and CEO Paolo Pompei does not have a supplementary pension plan and his retirement age is in accordance with the statutory pension regulations. The other management in Finland has a supplementary pension plan of 10% of the annual salary and a retirement age of 63 years. Management team members outside Finland have pension contribution and retirement age based on local practice.

No loans, guarantees or collaterals have been granted to the related parties.

Shares and share options granted to the President and other key management personnel

	2025	2024
Granted, pcs		
Shares	**509,220**	403,224
Share options	**-**	-
Held, pcs		
Shares	**116,058**	146,855
Share options	**-**	-
Exercisable	**-**	-

No performance shares nor share options have been granted to the members of the Board of Directors.

35. Events after the reporting date

On February 10, 2026, Nokian Tyres published its updated strategy and financial targets by the end of 2029. Further information is available on a stock exchange release available at **company.nokiantyres.com/investors/**.

The mid-term targets are:

- Net sales EUR 1.8–2.0 billion
- Segments EBITDA >24%
- Segments operating profit >15%
- Net debt/Segments EBITDA <2

On January 14, 2026, Timo Koponen was appointed Nokian Tyres CFO and a member of the Management team. He will start in the position by April 15, 2026.

Parent company income statement, FAS

EUR	Note	2025	2024
Net sales	1	**814,869,138.58**	799,066,104.95
Cost of sales	2, 3	**-657,623,154.82**	-669,940,616.41
Gross profit		**157,245,983.76**	129,125,488.54
Selling, marketing and R&D expenses	2, 3	**-37,897,680.54**	-35,932,822.90
Administration expenses	2, 3, 4	**-49,911,384.35**	-46,781,946.57
Other operating expenses	2, 3	**-75,286,725.06**	-118,316,404.38
Other operating income		**92,889.36**	230,848.27
Operating profit		**-5,756,916.83**	-71,674,837.04
Financial income and expenses	5	**-14,498,420.33**	825,754.23
Result before appropriations and tax		**-20,255,337.16**	-70,849,082.81
Appropriations	6	**21,021,757.81**	53,003,817.68
Income tax	7	**4,248,851.29**	7,384,164.17
Result for the period		**5,015,271.94**	-10,461,100.96

Parent company balance sheet, FAS

EUR	Note	2025	2024
Assets			
Fixed assets and other non-current assets			
Intangible assets	8	**20,261,073.81**	12,128,560.86
Tangible assets	8	**198,052,304.84**	213,742,480.33
Shares in Group companies	9	**654,534,599.40**	654,534,599.40
Investments in associates	9	**4,261,050.20**	4,261,050.20
Shares in other companies	9	**153,111.50**	153,111.50
Unquoted securities	9	**2,544,680.85**	2,878,044.09
Total non-current assets		**879,806,820.60**	887,697,846.38
Current assets			
Inventories	10	**167,245,666.66**	206,373,798.10
Non-current receivables	11, 12	**550,927,198.49**	397,290,584.36
Current receivables	13	**289,582,085.72**	279,042,697.57
Cash and cash equivalents		**86,423,770.55**	152,313,165.23
Total current assets		**1,094,178,721.42**	1,035,020,245.26
		1,973,985,542.02	1,922,718,091.64

EUR	Note	2025	2024
Liabilities and shareholder's equity			
Shareholders' equity	14		
Share capital		**25,437,906.00**	25,437,906.00
Share premium		**182,505,622.52**	182,505,622.52
Treasury shares		**-16,378,836.41**	-16,593,451.01
Fair value and hedging reserves		**-1,357,350.69**	-4,376,391.26
Paid up unrestricted equity fund		**238,231,226.51**	238,231,226.51
Retained earnings		**517,106,840.57**	562,036,013.28
Result for the period		**5,015,271.94**	-10,461,100.96
Total shareholders' equity		**950,560,680.44**	976,779,825.08
Untaxed reserves and provisions			
Accumulated depreciation in excess of plan	8	**0.00**	2,171,757.81
Provisions			
Warranty provision		**868,000.00**	868,000.00
Liabilities			
Non-current liabilities	12, 15	**641,805,100.47**	653,792,010.51
Current liabilities	16	**380,751,761.11**	289,106,498.24
Total liabilities		**1,022,556,861.58**	942,898,508.75
		1,973,985,542.02	1,922,718,091.64

Parent company statement of cash flows, FAS

EUR million	2025	2024
Result for the period	**5.0**	-10.5
Adjustments for		
Depreciation, amortization and impairment	**33.3**	30.6
Financial income and expenses	**14.5**	-0.8
Gains and losses on sale of intangible assets, other changes	**-20.9**	-53.0
Income Taxes	**-4.2**	-7.4
Cash flow before changes in working capital	**27.7**	-41.1
Changes in working capital		
Current receivables, non-interest-bearing, increase (-) / decrease (+)	**-30.9**	-27.1
Inventories, increase (-) / decrease (+)	**39.1**	25.1
Current liabilities, non-interest-bearing, increase (+) / decrease (-)	**0.9**	-77.6
Changes in working capital	**9.1**	-79.6
Financial items and taxes		
Interest and other financial items, received	**13.5**	19.8
Interest and other financial items, paid	**-50.5**	-34.6
Dividends received	**21.4**	17.2
Income taxes paid	**-0.1**	0.0
Financial items and taxes	**-15.8**	2.4
Cash flow from operating activities (A)	**21.0**	-118.3

EUR million	2025	2024
Cash flows from investing activities		
Acquisitions of property, plant and equipment and intangible assets	**-27.8**	-51.4
Proceeds from sale of property, plant and equipment and intangible assets	**2.1**	0.2
Acquisitions of other investments	**-**	-85.0
Cash flows from investing activities (B)	**-25.7**	-136.2
Cash flow from financing activities:		
Change in current financial receivables, increase (-) / decrease (+)	**20.9**	-3.6
Change in non-current financial receivables, increase (-) / decrease (+)	**-149.8**	-182.3
Change in current financial borrowings, increase (+) / decrease (-)	**95.6**	14.1
Change in non-current financial borrowings, increase (+) / decrease (-)	**-12.0**	254.0
Group contributions	**22.4**	6.3
Dividends paid	**-38.3**	-72.0
Cash flow from financing activities (C)	**-61.2**	16.6
Change in cash and cash equivalents, increase (+) / decrease (-) (A+B+C)	**-65.9**	-237.9
Cash and cash equivalents at the beginning of the period	**152.3**	390.2
Cash and cash equivalents at the end of the period	**86.4**	152.3

Accounting policies for the parent company

General
The financial statements of Nokian Tyres plc, domiciled in the city of Nokia, have been prepared according to the Finnish Accounting Standards (FAS).

Inventory valuation
Inventories are measured at the lower of cost or the net realizable value. Cost is primarily determined in accordance with standard cost accounting. The cost of finished goods and work in progress includes raw material purchase costs, direct manufacturing wages, other direct manufacturing costs, and a share of production overheads, borrowing costs excluded. Net realizable value is the estimated sales price in ordinary activities less the costs associated with the completion of the product and the estimated necessary costs incurred to make the sale of the product. Allowance is recorded in obsolete items.

Fixed assets and depreciation
Fixed assets are stated in the balance sheets at cost less depreciation according to plan. The accumulated difference between the total depreciation charged to the income statement and depreciation according to plan is shown as a separate item in untaxed reserves.

Depreciations according to plan are calculated on the basis of the estimated useful life of the assets using the straight line method.

The depreciation times are as follows:

Intangible assets	3–10 years
Buildings	10–40 years
Machinery and equipment	4–20 years
Other tangible assets	10–40 years

Land property, as well as investments in shares, are not regularly depreciated.

Research and development
Research and development costs are charged to the other operating expenses in the income statement in the year in which they are incurred. Certain significant development costs with useful life over three years are capitalized and are amortized on a systematic basis over their expected useful lives. The amortization period is between three and five years.

Pensions and coverage of pension liabilities
Pension contributions are based on periodic actuarial calculations and are charged to the income statement.

In Finland the pension schemes are funded through payments to a pension insurance company.

Equity
The acquisition cost of treasury shares repurchased by the Group is recognized as a deduction in equity. The consideration received for the treasury shares when sold, net of transaction costs and tax, is included in equity.

Foreign currency items
Transactions in foreign currencies are recorded at the exchange rates ruling at the dates of the transactions. At the end of the accounting period unsettled balances on foreign currency transactions and forward exchange contracts are valued at the rates published by the European Central Bank as on the financial statement date. If European Central Bank doesn't quote a currency, the exchange rates announced by that country are used.

All foreign currency exchange gains and losses are entered under financial income and expenses.

Taxes
Taxes in the income statement include taxes calculated from the financial year's result based on Finnish tax regulations, adjustments to taxes from previous financial years and deferred taxes. Deferred tax liability or asset is calculated from all temporary differences between accounting and taxation using the tax rate for the following years confirmed at the time of closing the accounts. Deferred tax liabilities are recorded in the balance sheet in their full amount and deferred tax assets in the amount of the estimated probable tax benefit.

Fair values of derivative financial instruments
Derivative contracts are initially recorded in the balance sheet at fair value and later valued at fair value in the financial statements (Act 5:2a). The valuation of derivatives and the principles of hedge accounting are explained in more detail in the group's note no. 30.

Notes to the financial statements of the parent company

1. Net sales by segments and market areas

EUR million	2025	2024
Passenger Car Tyres	**611.8**	596.7
Heavy Tyres	**203.0**	202.4
Total	**814.9**	799.1
Finland	**147.7**	146.3
Nordics	**226.5**	216.3
Other Europe	**307.9**	290.3
Americas	**127.6**	142.2
Other countries	**5.2**	4.0
Total	**814.9**	799.1

2. Personnel expenses

EUR million	2025	2024
Wages and salaries	**62.7**	58.5
Pension contributions	**10.2**	9.6
Other social expenses	**1.9**	1.4
Total	**74.8**	69.5
Remuneration of the members of the Board of the Directors and the President on accrual basis	**1.5**	1.6

No special pension commitments have been granted to the members of the Board of Directors and no statutory pension expense incurs. President and CEO Paolo Pompei did not have a supplementary pension plan and his retirement age was in accordance to the statutory pension regulations. The other management has a suplamentary penson plan of 10% of the annual salary and a retirement age of 63 years. See also Notes to Consolidated Financial Statement, note 34 Related party transactions.

Personnel, average during the year	2025	2024
Total	**880**	**886**

3. Depreciation

EUR million	2025	2024
Depreciation according to plan by asset category		
Intangible assets	**3.4**	3.4
Buildings	**2.4**	2.2
Machinery and equipment	**26.9**	24.5
Other tangible assets	**0.6**	0.5
Total	**33.3**	30.6
Depreciation by function		
Production	**23.7**	22.0
Selling, marketing and R&D	**4.1**	3.2
Administration	**5.5**	5.4
Total	**33.3**	30.6

4. Auditors' fees

EUR million	2025	2024
Audit fee	**0.8**	0.8
Other services	**0.0**	0.1
Total	**0.9**	0.9

5. Financial income and expenses

EUR million	2025	2024
Dividend income		
From the Group companies	**21.4**	17.2
Total	**21.4**	17.2
Interest income, non-current		
From the Group companies	**9.1**	9.4
Total	**9.1**	9.4
Other interest and financial income		
From the Group companies	**2.4**	3.8
From others	**2.1**	7.2
Total	**4.5**	10.9
Exchange rate differences (net)	**-11.8**	-2.0
Interest and other financial expenses		
To the Group companies	**-2.1**	-2.0
To others	**-33.4**	-30.7
Other financial expenses	**-2.4**	-2.0
Total	**-37.8**	-34.7
Total financial income and expenses	**-14.5**	0.8

6. Appropriations

EUR million	2025	2024
Change in accumulated depreciation in excess of plan		
Intangible assets	**-2.4**	3.4
Buildings	**6.2**	2.2
Machinery and equipment	**-1.4**	24.4
Other tangible assets	**-0.3**	0.6
Total	**2.2**	30.6
Other appropriations		
Group contributions	**18.9**	22.4
Total	**18.9**	22.4
Total appropriations	**21.0**	53.0

7. Income tax

EUR million	2025	2024
Direct tax for the year	**0.0**	-
Direct tax from previous years	**0.0**	0.2
Change in deferred tax	**4.2**	7.2
Total	**4.2**	7.4

8. Fixed assets

	Intangible assets		Tangible assets				
EUR million	**Intangible rights**	**Other intangible rights**	**Land property**	**Buildings**	**Machinery and equip-ment**	**Other tangible assets**	**Advances and fixed assets under construction**
Accumulated cost, Jan 1, 2025	**78.4**	**9.6**	**4.6**	**92.7**	**611.7**	**10.0**	**33.9**
Increase	**0.7**			**0.2**	**2.4**	**0.0**	**24.3**
Decrease				**-0.8**	**-1.3**		**-0.1**
Transfer between items	**10.8**			**6.8**	**21.9**	**0.1**	**-39.7**
Accumulated cost, Dec 31, 2025	**90.0**	**9.6**	**4.6**	**98.9**	**634.6**	**10.1**	**18.4**
Accum. depr. acc. to plan Jan 1, 2025	**-66.3**	**-9.6**		**-58.1**	**-475.2**	**-5.9**	
Accum. depr. on disposals					**0.4**		
Depreciations for the period	**-3.4**	**0.0**		**-2.4**	**-26.9**	**-0.6**	
Accum. depr. acc.to plan, Dec 31, 2025	**-69.7**	**-9.6**		**-60.4**	**-501.7**	**-6.5**	
Carrying amount, Dec 31, 2025	**20.3**	**0.0**	**4.6**	**38.5**	**133.0**	**3.6**	**18.4**
Carrying amount, Dec 31, 2024	**12.1**	**0.0**	**4.6**	**34.6**	**136.5**	**4.1**	**33.9**
Accum. depreciation in excess of plan, Dec 31, 2025	**-**	**-**	**-**	**-**	**-**	**-**	
Accum. depreciation in excess of plan, Dec 31, 2024	-2.4	0.0	-	6.2	-1.4	-0.3	

9. Investments

EUR million	Shares in Group companies	Investments in associates	Shares in other companies	Unquoted securities
Accumulated cost, Jan 1, 2025	**654.5**	**4.3**	**0.2**	**2.9**
Exchange rate difference				**-0.3**
Accumulated cost, Dec 31, 2025	**654.5**	**4.3**	**0.2**	**2.5**
Carrying amount, Dec 31, 2025	**654.5**	**4.3**	**0.2**	**2.5**
Carrying amount, Dec 31, 2024	654.5	4.3	0.2	2.9

10. Inventories

EUR million	2025	2024
Raw materials and supplies	**70.9**	78.5
Work in progress	**3.3**	4.0
Finished goods	**93.0**	123.9
Total	**167.2**	206.4

11. Non-current receivables

EUR million	2025	2024
Loan receivables from the Group companies	**513.8**	363.6
Loan receivables from others	**0.3**	0.4
Deferred tax assets	**36.8**	33.3
Total long-term receivables	**550.9**	397.3

The members of the Board of Directors and the President have not been granted loans. Internal loans have been granted on standard commercial terms, excluding the special loans provided for financing the Romanian plant, some of which are recognized as net investments in foreign operations in accordance with IAS 21.

12. Deferred tax assets and liabilities

EUR million	Dec 31, 2024	Recognized in income statement	Fair value changes	Dec 31, 2025
Deferred tax assets				
Property, plant and equipment and intangible assets	3.6	9.5		**13.1**
Provisions and accruals	0.2			**0.2**
Tax losses carried forward	26.4	-6.9		**19.5**
Cash flow hedges	1.1		-0.7	**0.4**
Other Items	2.0	1.6		**3.6**
Deferred tax assets	33.3	4.2	-0.7	**36.8**
Deferred tax liabilities				
Cash flow hedges	0.0		0.0	**0.0**
Deferred tax liabilities	0.0		0.0	**0.0**

EUR million	Dec 31, 2023	Recognized in income statement	Fair value changes	Dec 31, 2024
Deferred tax assets				
Intangible assets		3.6		**3.6**
Provisions and accruals	0.2			**0.2**
Tax losses carried forward	24.8	1.6		**26.4**
Cash flow hedges	0.0		1.1	**1.1**
Other items		2.0		**2.0**
Deferred tax assets	25.0	7.2	1.1	**33.3**
Deferred tax liabilities				
Cash flow hedges	0.4		-0.4	**0.0**
Deferred tax liabilities	0.4		-0.4	**0.0**

On December 31, 2025 the parent company had carry forward losses for EUR 97.7 million (EUR 132.1 million), of which a deferred tax assets has been recognized.

Carry forward losses EUR 97.7 million will expire during years 2032–2034.

13. Current receivables

EUR million	2025	2024
Receivables from the Group companies		
Trade receivables	**181.4**	153.7
Loan receivables	**10.6**	31.6
Accrued revenues and deferred expenses	**34.6**	38.9
Total	**226.6**	224.2
Trade receivables	**45.1**	37.7
Other receivables	**4.6**	7.4
Accrued revenues and deferred expenses	**13.3**	9.8
Total	**63.0**	54.9
Total short-term receivables	**289.6**	279.0
Significant items under accrued revenues and deferred expenses		
Financial items	**12.5**	11.1
Taxes	**0.5**	0.4
Social payments	**0.4**	0.4
Goods and services rendered and not invoiced, subsidiary	**8.9**	9.9
Group contributions	**18.9**	22.4
Other items	**6.7**	4.5
Total	**47.9**	48.6

14. Shareholders' equity

EUR million	2025	2024
Restricted shareholders' equity		
Share capital, Jan 1	**25.4**	25.4
Emissions	**-**	-
Share capital, Dec 31	**25.4**	25.4
Share issue premium, Jan 1	**182.5**	182.5
Emission gains	**-**	-
Share issue premium, Dec 31	**182.5**	182.5
Fair value and hedging reserves, Jan 1	**-4.4**	1.6
Fair value changes	**3.0**	-6.0
Fair value and hedging reserves, Dec 31	**-1.4**	-4.4
Total restricted shareholders' equity	**206.6**	203.6
Non-restricted shareholders' equity		
Paid-up unrestricted equity reserve, Jan 1	**238.2**	238.2
Emission gains	**-**	-
Paid-up unrestricted equity reserve, Dec 31	**238.2**	238.2
Retained earnings, Jan 1	**551.6**	637.9
Dividends to shareholders	**-34.5**	-75.8
Retained earnings, Dec 31	**517.1**	562.0

EUR million	2025	2024
Treasury shares	**-16.4**	-16.6
Result for the period	**5.0**	-10.5
Total non-restricted shareholders' equity	**744.0**	773.2
Total shareholders' equity	**950.6**	976.8
Specification of the distributable funds, Dec 31		
Retained earnings	**517.1**	562.0
Treasury shares	**-16.4**	-16.6
Paid-up unrestricted equity reserve	**238.2**	238.2
Negative fair value and hedging reserves	**-1.4**	-4.4
Result for the period	**5.0**	-10.5
Distributable funds, Dec 31	**742.6**	768.8

No share repurchases were made during the review period, and the company did not possess any own shares on December 31, 2025.

Nokian Tyres has an agreement from 2017 with a third-party service provider concerning the share-based incentive program for key personnel. The third party owns Nokian Tyres' shares related to the incentive program until the shares are given to the participants of the program. In accordance with IFRS, these repurchased shares have been reported as treasury shares in the Consolidated Statement of Financial Position. On December 31, 2025, the number of these shares was 1,046,507 (1,052,242). This number of shares corresponded to 0.75 (0.76) percent of the total shares and voting rights in the company.

15. Non-current liabilities

EUR million	2025	2024
Interest-bearing		
Bonds	**99.6**	99.4
Loans from financial institutions	**541.8**	553.3
Deferred tax liabilities	**0.0**	0.0
Total	**641.4**	652.7
Non-interest-bearing		
Accrued expenses and deferred revenues	**0.4**	1.1
Total	**0.4**	1.1
Total non-current liabilities	**641.8**	653.8

In March 2025, the remaining one-year extension options were exercised for a total of EUR 300 million in long-term bilateral sustainability-linked term loans. Consequently, the maturity dates for these facilities were extended from April 2026 to April 2027. Additionally, the first extension option was exercised for the EUR 100 million bilateral sustainability-linked term loan, extending its maturity date from May 2027 to May 2028. In June, new two-year bilateral revolving credit facilities totaling EUR 100 million were signed to replace the existing facilities of the same amount due in 2026. The new facilities include extension options of up to two years and will serve as a backup for general corporate purposes. In November 2025, the last one-year extension option was exercised for a EUR 200 million sustainability-linked revolving credit facility. Thus, the maturity date for this facility was extended from January 2028 to January 2029.

16. Current liabilities

EUR million	2025	2024
Interest-bearing		
Liabilities to the Group companies		
Finance loans	**164.6**	118.4
Commercial papers	**39.9**	2.0
Total interest-bearing liabilities	**204.4**	120.4
Non-interest-bearing		
Liabilities to the Group companies		
Trade payables	**22.2**	20.8
Accrued expenses and deferred revenues	**26.6**	19.1
Total	**48.8**	39.9
Trade payables	**68.8**	81.3
Liabilities to the others	**19.6**	11.1
Accrued expenses and deferred revenues	**39.1**	36.5
Total	**127.5**	128.8
Total non-interest-bearing liabilities	**176.3**	168.7
Total current liabilities	**380.8**	289.1

EUR million	2025	2024
Significant items under accrued expenses and deferred revenues		
Wages, salaries and social security contributions	**11.5**	10.3
Annual discounts, sales	**15.2**	11.2
Financial items	**11.8**	13.8
Commissions	**0.1**	0.1
Other items	**27.2**	20.2
Total	**65.7**	55.6

17. Contingent liabilities

EUR million	2025	2024
For own debt		
Pledged assets	**3.7**	5.8
On behalf of Group companies and investments in associates		
Guarantees	**136.2**	130.4

The amount of debts and commitments mortgaged for total EUR 122.4 million (2024: EUR 115.6 million).

Other own commitments		
Guarantees	**2.4**	**1.0**
Leasing and rent commitments		
Payments due in 2026	**13.9**	12.0
Payments due in subsequent years	**4.6**	5.9

18. Derivative financial instruments

EUR million	2025	2024
Interest rate derivatives		
Interest rate swaps		
Notional amount	**300.0**	300.0
Fair value	**-1.7**	-4.0
Foreign currency derivatives		
Currency forwards		
Notional amount	**215.3**	328.1
Fair value	**0.7**	0.7
Currency options, purchased		
Notional amount	**10.7**	10.9
Fair value	**0.0**	0.1
Currency options, written		
Notional amount	**15.6**	29.4
Fair value	**-0.1**	-0.1
Electricity derivatives		
Electricity forwards, Finland		
Notional amount	**9.1**	9.0
Fair value	**-0.3**	-1.2

Unrealised fair value changes of interest rate and electricity derivatives are not recognized in profit and loss. Interest rate swaps hedge the future interest payments of loans from financial institutions and the electricity forwards hedge the future electricity purchase prices in Finland. The contractual terms of these derivatives and the hedged items are congruent. The cash flows of the interest rate swaps and electricity forwards will occur during the next seven years.

The fair value of forward exchange contracts is measured using the forward rates on the reporting date. The fair value of currency options is calculated using an option valuation model.

Interest rate derivatives are determined based on market interest rates on the reporting date.

The fair value of electricity derivatives is based on quoted market prices in active markets on the reporting date.

19. Environmental commitments and expenses

Expenses relating to environment are included to production costs. The company has duly attended to environmental commitments and has no information on material environmental liabilities. All material environmental matters are reported as part of the Sustainability Statement, which is included in the Report by the Board of Directors. The CSRD-aligned Sustainability Statement has been prepared on a consolidated basis for the entire Nokian Tyres Group.

Signatures for the financial statements and the report by the Board of Directors

As required by the accounting act, we state the following

- the financial statements, prepared in accordance with applicable accounting regulations, give a true and fair view of the assets, liabilities, financial position, and profit or loss of both the company and the group of companies included in its consolidated financial statements;
- the management report contains a truthful description of the development and result of the business operations of both the company and the group of companies included in its consolidated financial statements, as well as a description of the most significant risks and uncertainties and other aspects of the company's condition; and
- the sustainability statement included in the management report has been prepared in accordance with the reporting standards referred to in Chapter 7 and Article 8 of the Taxonomy Regulation.

Helsinki, February 10, 2026

Jukka Hienonen

Jouko Pölönen

Elina Björklund

Susanne Hahn

Markus Korsten

Elisa Markula

Antti Mäkinen

Paolo Pompei
President and CEO

The auditor's note

Report on the audit of the financial statements has been given today.

Helsinki, February 10, 2026

Ernst & Young Oy
Authorized Public Accountant Firm

Mikko Järventausta
Authorized Public Accountant

Auditor's report (Translation of the Finnish original)

To the Annual General Meeting of Nokian Tyres plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nokian Tyres plc (business identity code 0680006-8) for the year ended 31 December, 2025. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 6 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

Key Audit Matter	How our audit addressed the Key Audit Matter
Revenue recognition	
We refer to the accounting policies for the consolidated financial statements and the note 1.	
The Group's revenue is recognized when control of the good or service is transferred to the customer. Revenue is a key financial performance measure which could create an incentive for revenues to be recognized prematurely. Due to the variety of contractual terms used across the Group's markets management judgment is needed to account for the revenue. Customer discounts and credits are considered when determining the revenue. Estimating discounts and credits require also management judgment both at the time of revenue recognition as well as at the end of each reporting period. Based on above, revenue recognition, was a key audit matter. This matter was also a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of revenue recognition, included, among others: • Assessment of the compliance of the Group's accounting policies over revenue recognition, including those relating to discounts and credits, against IFRS standards. • Assessment of the revenue recognition process especially relating to timing of revenue recognition, and calculation of discounts and credits. • Data analytical procedures, for example, analyzing the conversion of revenue to cash received. • Familiarizing ourselves with the contractual terms in sales agreements. Testing the revenue cut-off with analytical procedures and with a sample test of details on a transaction level on either side of the balance sheet date. Testing of revenue discounts and credits on a sample basis. • Analyzing credit notes. • Assessment of the Group's disclosures in respect of revenues.
Valuation of goodwill	
We refer to the accounting policies for the consolidated financial statements and note 14.	

As of balance sheet date December 31, 2025, the value of goodwill amounted to 62,0 million euros representing 2,7 % of the total assets and 5,3 % of the total equity.
 	
The annual impairment testing of goodwill was based on the management's estimate about the value-in-use of the cash generating units. There are a number of assumptions used to determine the value-in-use of the cash generating units, including revenue growth, margins and the discount rate applied on net cash-flows. The estimated value-in-use may vary significantly when underlying assumptions are changed and the changes in above-mentioned individual assumptions may result in an impairment of goodwill.
 	
The valuation of goodwill was a key audit matter because the annual impairment testing included management judgment with respect to the key assumptions used and because of the significance of goodwill to the financial statements.
	Our audit procedures in respect of valuation of goodwill included, among others:
	• Evaluation of the determination of cash generating units and the goodwill allocated to those units.
	• Involvement of our valuation specialists to assist us in evaluating the key assumptions used in impairment testing. The procedures included also the comparison of the management's assumptions to externally derived data, in particular those relating to
	  • the forecasted revenue growth,
	  • the forecasted margin and
	  • the weighted average cost of capital used to discount the net cash-flows.
	• Testing of the accuracy of the impairment calculations prepared by the management and comparison of the sum of discounted cash flows against Nokian Tyres' market capitalization.
	• Evaluation of the adequacy of the disclosures of the impairment testing results.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 30.3.2021, and our appointment represents a total period of uninterrupted engagement of five years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other opinions based on law

Our responsibility is to, based on our audit, express an opinion on the registration and publication of the income tax report required in Chapter 7 b of the Accounting Act.

The Board of Directors and the Managing Director are responsible for the registration and the publication of the income tax report.

In our opinion, the company has not been obliged to register and publish an income tax report referred to in Chapter 7 b of the Accounting Act for the financial year immediately preceding the financial year.

Opinions based on assignment of the Audit Committee

We support that the financial statements should be adopted. The proposal by the Board of Directors regarding the use of the distributable funds shown in the financial statements is in compliance with the Limited Liability Companies Act. We support that the Members of the Board of Directors and the Managing Director of the parent company should be discharged from liability for the financial period audited by us.

Helsinki 10.2.2026

Ernst & Young Oy
Authorized Public Accountant Firm

Mikko Järventausta
Authorized Public Accountant

Independent Auditor's Report on the ESEF Financial Statements of Nokian Tyres plc

(Translation of the Finnish original)

To the Board of Directors of Nokian Tyres plc

We have performed a reasonable assurance engagement on the financial statements tyres-2025-12-31-1-fi.zip of Nokian Tyres plc (y-identifier: 0680006-8) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2025.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of the Commission's regulatory technical standard.

Auditor's Independence and Quality Management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's technical regulatory standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgement. This includes an assessment of the risk of material deviations due to fraud or error from the requirements of the Commission's technical regulatory standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Nokian Tyres plc tyres-2025-12-31-1-fi.zip for the financial year ended 31.12.2025 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Nokian Tyres plc for the financial year ended 31.12.2025 has been expressed in our auditor's report dated 10.2.2026. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki 27.2.2026

Ernst & Young Oy
Authorized Public Accountant Firm

Mikko Järventausta
Authorized Public Accountant

Assurance report on the sustainability statement (Translation of the Finnish original)

To the Annual General Meeting of Nokian Tyres plc

We have performed a limited assurance engagement on the group sustainability statement of Nokian Tyres plc (business identity code 0680006-8) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1.–31.12.2025.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

1. the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
2. the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Nokian Tyres plc has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information.*

Our responsibilities under this standard are further described in the *Responsibilities of the Authorized Group Sustainability Auditor* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authorized Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The Authorized Group Sustainability Auditor applies International Standard on Quality Management ISQM 1, which requires the Authorized Sustainability Audit Firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Nokian Tyres plc are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified,
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Statement

The preparation of the group sustainability statement requires a materiality assessment from the company in order to identify relevant disclosures. This significantly involves management judgment and choices. Group sustainability reporting is also characterized by the fact that reporting of this type of information involves estimates and assumptions, as well as measurement and assessment uncertainty.

The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

When reporting future-related information in accordance with the ESRS standards, the company's management must present assumptions regarding possible future events and disclose the company's potential future actions related to these events, as well as prepare future-related information based on these assumptions. The actual outcome is likely to differ, as predicted events often do not occur as expected.

Responsibilities of the Authorized Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We have interviewed the management of the group as well as key personnel responsible for collecting and reporting of the information included in the group sustainability statement.
- Through interviews, we gained an understanding of the group's control environment related to the group sustainability reporting process.
- We evaluated the implementation of the company's double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided from the double materiality assessment is in material respects in accordance with the ESRS standards.
- We assessed whether the group sustainability statement in material respects meets the requirements of the ESRS standards regarding material sustainability topics:
  - We have tested the accuracy of the information presented in the group sustainability statement by comparing the information on a sample basis to the documentation and records prepared by the company and assessed whether they support the information included in the group sustainability statement.
  - We have on a sample basis performed analytical assurance procedures and related inquiries, recalculations and inspected documentation, as well as tested data aggregation to assess the accuracy of the group sustainability statement.
- We conducted a site visit at a selected location.
- Regarding EU Taxonomy data, we gained an understanding of the process by which a company has defined taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided.

Helsinki 10.2.2026

Ernst & Young Oy
Authorized Sustainability Audit Firm

Mikko Järventausta
Authorized Sustainability Auditor

Information on Nokian Tyres' share

Share data

Market	Nasdaq Helsinki
Listing date	June 1, 1995
Currency	euro
ISIN	FI0009005318
Symbol	TYRES
Reuters symbol	TYRES.HE
Bloomberg symbol	TYRES:FH
Market capitalization segment	OMXH Large Caps
Sector	Consumer goods
Industry	Automobiles and parts
Number of shares, December 31, 2025	138,921,750

Share capital and shares

The company has one class of shares, each share entitling the shareholder to one vote and carrying equal rights to a dividend. On December 31, 2025, the number of shares was 138,921,750.

Read more: **company.nokiantyres.com/investors/share-and-shareholders**.

Number of shareholders on December 31, 2025

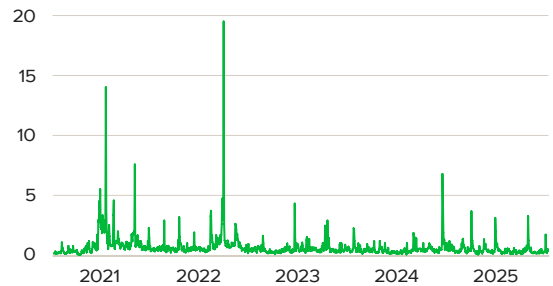
Number of shares	Number of share-holders	% of share-holders	Total number of shares	% of share capital
1–100	39,729	40.18	1,769,005	1.27
101–500	34,678	35.07	9,000,925	6.48
501–1,000	11,477	11.61	8,790,758	6.33
1,001–5,000	10,924	11.05	23,349,272	16.81
5,001–10,000	1,264	1.28	9,070,406	6.53
10,001–50,000	703	0.71	13,094,645	9.43
50,001–100,000	51	0.05	3,487,267	2.51
100,001–500,000	30	0.03	6,838,030	4.92
500,001–	19	0.02	63,521,442	45.73
Total	**98,875**	**100.00**	**138,921,750**	**100.00**

Shareholder structure on December 31, 2025

	Number of shares	% of share capital
Nominee registered and non-Finnish holders	30,622,428	22.04
Households	58,621,579	42.20
General Government	28,289,729	20.36
Financial and insurance corporations	8,513,752	6.13
Non-profit institutions	3,037,194	2.19
Corporations	9,837,068	7.08
Total	**138,921,750**	**100.00**

Read more: **company.nokiantyres.com/investors/share-and-shareholders/major-shareholders**.

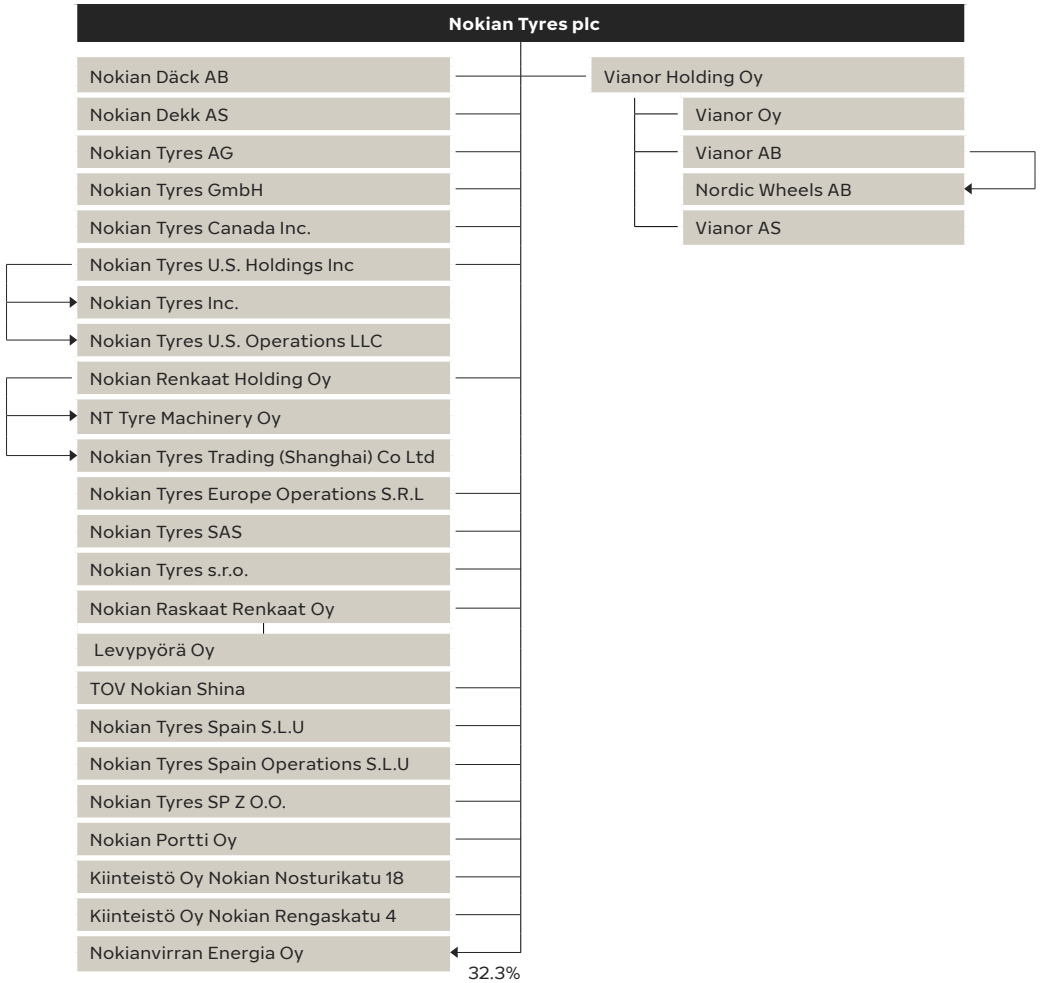
Share trading volumes on NASDAQ Helsinki
Jan 1, 2021–Dec 31, 2025, pcs million



Share price development on NASDAQ Helsinki
Jan 1, 2021–Dec 31, 2025, EUR

Read more: **company.nokiantyres.com/investors/share-and-shareholders/share-tools/share-performance**.

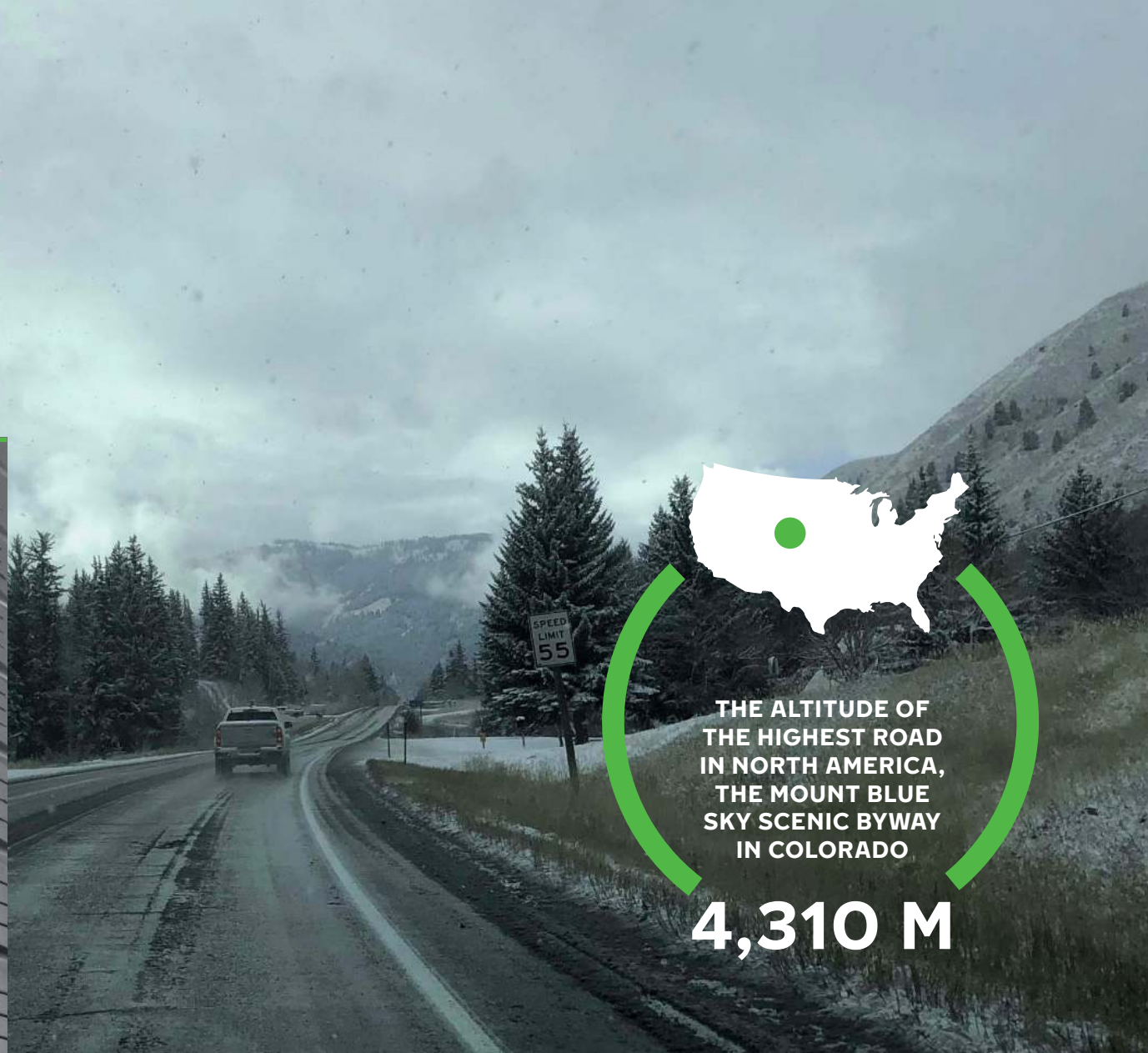
Nokian Tyres Group structure



nokian TYRES

REMUNERATION REPORT

Chair's greetings 229
Introduction 230
Remuneration of the Board of Directors 231
Remuneration of the President and CEO 232



THE ALTITUDE OF THE HIGHEST ROAD IN NORTH AMERICA, THE MOUNT BLUE SKY SCENIC BYWAY IN COLORADO

4,310 M

Remuneration report 2025

People and Sustainability Committee – Chair's greeting

Dear Shareholder,

On behalf of the People and Sustainability Committee, I am pleased to present Nokian Tyres' Remuneration Report ("Remuneration Report") for the financial year 2025. This report outlines the remuneration paid or payable to the members of the Board of Directors and the President and CEO, in accordance with the Remuneration Policy.

Nokian Tyres' Board of Directors has reviewed and approved this report. In response to investor feedback to utilize more details on the target setting and its transparency, the People and Sustainability Committee has ensured that the Remuneration Report is now presented concisely, including relevant remuneration details alongside key financial information of the company.

Remuneration Policy key take away

The executive remuneration of the company is designed to advance the strategy execution, business objectives, sustainability and long-term profitability of the company. Nokian Tyres aims to create long-term value for its shareholders by focusing on profitable growth. These policy principles are considered when making decisions on the executive remuneration. Remuneration decisions are guided by principles of performance-based pay, sustainability, and alignment with shareholder interests. The President and CEO's remuneration includes a balanced mix of fixed pay and variable incentives, with short- and long-term components directly linked to company performance and operating profit. This structure ensures that remuneration supports the company's strategic priorities, financial success, and responsible business practices.

Nokian Tyres performance and remuneration in 2025

When setting the short-term incentive plan criteria in 2025, the Board of Directors considered the prevailing market conditions and the company's strategic focus on completing its investment phase leading to profitable growth. Targets were to support organizational efficiency, sustainability, and profitability. The group-level targets for the short-term incentive plan were segments operating profit and net cash flow. No changes were made to Nokian Tyres' short-term incentive plan design.

In 2025, the short-term incentive criteria for the President and CEO Paolo Pompei were Nokian Tyres' segments operating profit with a weight of 60 percent, and net cash flow with a weigh of 40 percent, in total 100 percent. Nokian Tyres' net sales for the financial year 2025 grew by 6.5 percent and were EUR 1,373.6 million (2024: EUR 1,289.8 million) and segments operating profit was EUR 91.3 million (2024: EUR 71.4 million). Despite cautious consumer demand across key markets, the company made progress in operational efficiency and strategic execution. As a result, the short-term incentive (STI) outcome for the President and CEO was 478,880 EUR based on the achievement of the set financial targets.

What it comes to long-term incentives, the two-year performance period of the Performance Share Plan (PSP) 2024–2025 ended after the financial year 2025. The rewards from the performance period 2024–2025 were based on EBITDA (50 percent weight), increase in passenger car tire production volume (40 percent weight) and reduction in direct

REMUNERATION SUPPORTS THE COMPANY'S STRATEGIC PRIORITIES, FINANCIAL SUCCESS, AND RESPONSIBLE BUSINESS PRACTICES.

CO_2 emissions (10 percent weight). The reduction in direct CO_2 emissions with 10 percent weight was achieved at the maximum level and the other targets were not met. The combined achievement of the set targets was thereby 20 percent. The reward calculation and share grant to eligible employees' will be paid in spring 2027.

The last performance period of the Performance Share Program (PSP) 2023–2027 was approved in May 2025 by the Board of Directors. The PSP 2025–2026 includes a two-year performance period, and one year restriction period (2027). The performance targets are average earnings per share (EPS) (45 percent weight), average return on capital employed (ROCE%) (45 percent weight), and a reduction of Scope 1 and 2 CO_2 emissions intensity (10 percent weight). Subject to achieving the performance targets, share rewards will be delivered in spring 2028. Two-year performance period was utilized in the program due to the Romanian factory ramp up and limited visibility because of the overall geopolitical circumstances.

Looking ahead

Going forward, Nokian Tyres focuses on profitable and sustainable growth after completing a significant approximately EUR 800 million investment phase. The People and Sustainability Committee continues to develop remuneration practices to ensure they best support transformation and the achievement of growth targets. We believe that fostering leadership, enhancing employee engagement, and linking incentives to company performance will strengthen our progress.

ELINA BJÖRKLUND
Chair of the People and Sustainability Committee of Nokian Tyres Board of Directors

Introduction

This Remuneration Report describes how the actual remuneration of the Board of Directors and the President and CEO aligns with Nokian Tyres' current Remuneration Policy and how it promotes the company's long-term financial success.

The Remuneration Report has been prepared in accordance with the Securities Market Association's Corporate Governance Code 2025 and the applicable legislation. It has been approved by the Board of Directors and will be presented to the Annual General Meeting 2026 for advisory resolution. At the Annual General Meeting 2025, about 84 percent of votes (2024: 76 percent) supported an advisory resolution to adopt the company's Remuneration Report 2024.

The Board of Directors and the President and CEO were remunerated in accordance with the approved Remuneration Policy in 2025. One temporary deviation within the Remuneration Policy allowed frame was made during the recruitment of the new President and CEO, when he was granted 100,000 Nokian Tyres shares under Restricted Share Plan, with separate approval from the Board of Directors. It was decided that the Restricted Share Plan for President and CEO has vesting period without separate defined earning criteria. Other deviations from the Remuneration Policy were not made and no clawback provisions were exercised in 2025.

This Remuneration Policy can be found at **Remuneration Policy / Nokian Tyres**

Development of Nokian Tyres performance and remuneration

The following table compares the development of the remuneration of the Board of Directors, the President and CEO, average employee remuneration and the company's performance during the last five years.

The remuneration of the President and CEO is closely aligned with Nokian Tyres' financial and strategic performance. Since 2022, the company has navigated through significant external challenges. During the year 2025 remuneration was aligned with financial targets and was therefore connected to financial performance.

Remuneration during 2021–2025

	Average Board of Directors remuneration, EUR[1]	President and CEO remuneration, EUR[2]	Average remuneration per employee, EUR[3]	EPS, EUR	Segments operating profit, EUR	ROCE %
2025	82,114	820,240	65,920	-0.11	91.3	1.9%
2024	83,867	817,854	66,570	-0.17	71.4	0.5%
2023	78,911	1,421,075	61,830	-2.36	65.1	2.2%
2022	81,167	1,502,304	67,530	-1.27	17.8	3.1%
2021	70,489	1,157,960	54,790	1.49	324.8	13.7%

[1]**Board of Directors remuneration - Average annual fee paid to Board members** is calculated by dividing the total amount of fees paid each year to Board members by the composition of Board (number of members) during each year (2021–2024: 9 members; and 2025: 7 Board members) and excluding fees paid to members leaving during the following term.
[2] **President and CEO remuneration** realised salaries and rewards reflect the total remuneration for the financial year.
[3]**Average remuneration per employee** is calculated by dividing the total amount of salaries, incentives, and other related employee costs for the corresponding.

Remuneration of the Board of Directors 2025

Nokian Tyres 2025 Annual General Meeting decided the following annual and meeting fees to be paid to the Board of Directors serving during the financial year 2025–2026. In accordance with the resolution, approximately 60 percent of the annual fee was paid in cash and 40 percent in company shares.

Annual Fees:

Chair of the Board: 115,000 euros
Deputy Chair and Chairs of the Board Committee: 76,000 euros
Other Directors: 53,500 euros
Meeting fees: For each Board and Board Committee meeting, the fee is 700 euros.

For Board members resident in Europe, the fee for each meeting outside a member's home country within Europe is doubled, and for each meeting outside Europe, the fee is tripled. For Board members resident outside Europe, the fee for each meeting outside a member's home country is tripled. If a member participates in a meeting via telephone or video connection, the remuneration is 700 euros.

Travel expenses are reimbursed in accordance with the company's travel policy.

According to the Remuneration Policy, the members of the Board of Directors cannot participate in the same share-based remuneration schemes with Nokian Tyres management.

Board of Directors total annual remuneration during 2025:

Board of Director	Position on the Board	Annual fixed fee (EUR)[1]	Board meeting fees (EUR)	Committee meeting fees (EUR)	Total fees (EUR)	Shares acquired with fixed annual fee (number of shares)
Jukka Hienonen	Chair of the Board of Directors, Member of the People and Sustainability Committee and Investment Committee, member of the Shareholders' Nomination Board	115,000	8,400	6,600	129,000	7,525
Elina Björklund	Deputy Chair of the Board of Directors (as of May 7, 2025), Chair of the People and Sustainability Committee, Member of the Investment Committee (as of August 29, 2025)	76,000	8,400	5,600	90,000	4,973
Susanne Hahn	Director, Member of the People and Sustainability Committee	53,500	11,900	7,000	72,400	3,501
Markus Korsten	Director, Member and Chair of the Investment Committee (as of August 29, 2025)	53,500	12,600	2,800	68,900	3,501
Elisa Markula	Director, Member of the Audit Committee	53,500	8,400	3,500	65,400	3,501
Antti Mäkinen	Director, Member of the Audit Committee (as of May 7, 2025)	53,500	5,600	2,100	61,200	3,501
Jouko Pölönen	Director, Chair of the Audit Committee	76,000	8,400	3,500	87,900	4,973
Christopher Ostrander	Director, Chair of the Investment Committee (until Aug 29, 2025)	76,000	10,500	1,400	87,900	4,973
Reima Rytsölä	Director, Member of the Audit Committee (until May 7, 2025)	-	2,800	1,400	4,200	-
Pekka Vauramo	Deputy Chair, Member of the Investment Committee (until May 7, 2025)	-	2,100	700	2,800	-

[1]Stock exchange releases regarding share acquisitions were published on May 9, 2025. The company paid asset transfer taxes arising from the acquisition of shares.

Christopher Ostrander's shares for the 2025–2026 term are restricted until 2027. This restriction replaces a claw back of shares, which would have been applied proportionally due to Ostrander's resignation from the Board of Directors. Because a claw back was seen as impractical and expensive, the Board determined that the restriction period is a fair solution, especially since Ostrander is moving to a company role.

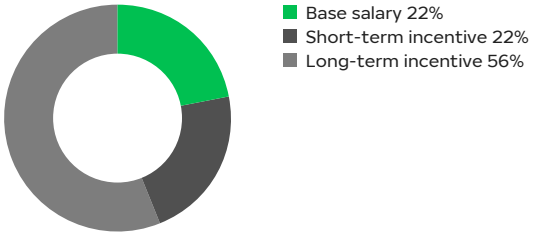
Remuneration of the President and CEO in 2025

The President and CEO Paolo Pompei received the following remuneration during the 2025 financial year.

Annual remuneration, EUR		Pay mix
Base Salary	820,000	63%
Short-term incentive	478,880	37%
Long-term incentive	0	0%
Fringe benefits	240*	
(Statutory Pension	70,951)	
Total	**1,299,120**	

*Phone benefit. Housing allowance included in the annual base salary.

Relative portions of the President and CEO's compensation at maximum performance level, pension and benefits excluded



2025 Short-term incentives (paid in March 2026)

The target short-term incentive (STI) for the President and CEO is 50 percent of the annual base salary and the maximum incentive is 100 percent. The Board of Directors sets the targets annually and resolves on the incentive payout once the consolidated financial statements have been prepared.

The short-term incentive outcome based on target setting on scale 0 (min)–100 (target)–200 (max) percent in 2025 was as follows:

Criteria (Performance period 1.1.2025–31.12.2025)	Weight	Target	2025 achievement	2025 STI outcome %
Segments operating profit	60%	90 EUR million	91 EUR million	104%
Net cash flow, internal metric*	40%	N/A	N/A	136%
Total STI outcome: 478,880 €	**100%**			**116.8%**

The total 2025 STI payout for the President and CEO Paolo Pompei was 478,880 and it will be paid in March 2026.
* Non-disclosured business information.

Long-term incentive programs

The target long-term incentive (LTI) reward for the President and CEO is 125 percent of the annual base salary and the maximum incentive is 250 percent. Paolo Pompei was invited to participate in Performance Share Plan performance period 2025–2026 and was granted 144,427 Nokian Tyres shares at target level. In addition, Paolo Pompei was granted 100,000 share award under the Restricted Share Plan 2024–2026 based on the Board of Directors' separate decision when the managing director agreement was signed. It was decided that the Restricted Share Plan for President and CEO has vesting period without separate criteria.

Performance Period	2025–2026 (restricted year 2027)	2024–2026
Long-term incentive program and criteria. Weights in brackets.	**Performance Share Plan**	**Restricted Share Plan**
Target setting scale: 10%-100%-200%	EPS Average earnings per share (45%) ROCE Average return on Capital Employed percent (45%) Reduction of Scope 1 and 2 CO_2 emission intensity (10%)	Continued employment, segments return on capital employed (ROCE) for Management Team (excluding President and CEO)
Release of shares	2028	2027
Plan achievement	-	-

In 2025, President and CEO Paolo Pompei received no long-term incentive payments.

The President and CEO's other terms:

Salary: Salary remained unchanged in 2025.

Pension: In accordance with the Finnish statutory pension system.

Share ownership requirement: The President and CEO must hold at least 25 percent of the shares received as rewards from the long-term incentive plans and collect shares from the incentive plans until the value of the shares received from the share plans is equal to the President and CEO's annual gross base salary.

Dismissal: Either party can terminate with six months' notice. The President and CEO is entitled to severance pay if the company terminates the employment relationship or if he terminates the contract in the event of a change of control in the company. The amount of the severance pay corresponds to the President and CEO's gross annual base salary.

Malus and claw back: Nokian Tyres has the right to retroactively restate the amount and reclaim the excess part of the rewards paid from the short- and long-term incentives pursuant to rules regarding unjust enrichment. The short- and long-term remuneration schemes are discretionary in nature and do not form part of the terms and conditions of the service contract of the President and CEO, and the Board of Directors shall decide on the implementation of the schemes and their terms and conditions at any time. Nokian Tyres did not exercise any malus or claw back rights during the financial year 2025.

Former President and CEO Jukka Moisio's LTI payment

Performance Share Plan 2023–2024 payout in spring 2026: The two-year performance period of the Performance Share Plan 2023–2024 ended. The rewards from the performance period 2023–2024 are based on the following criteria: cumulative EBITDA (50 percent weight), increase in passenger car tire production volume (40 percent weight) and reduction in direct CO_2 emissions (10 percent weight). The reduction in direct CO_2 emissions with 10 percent weight was achieved at the maximum level while the other targets were not met. The combined achievement of the set targets was thereby 20 percent. The reward calculation and share grant for Jukka Moisio will be paid during spring 2026 based on prorate on his last date of employment on December 31, 2024. The number of shares to be delivered is 11,609.

Performance Period	**2023–2024 (restricted year 2025)**
Long-term incentive program and criteria. Weights in brackets.	**Performance Share Plan**
Target setting scale: 10%-100%-200%	**Cumulative EBITDA (50%)** Target: 501 M€ Outcome: 272 M€
	Increase in passenger car tire production volume (40%) Target: Not disclosed due to business critical information Outcome: Not achieved
	Reduction in direct CO_2 emissions (10%) Target: max 195 kg per produced ton Outcome: 153 kg per produced ton
Release of shares	2026 spring
Plan achievement	20%

Investor information and investor relations

Annual General Meeting 2026

The Annual General Meeting of Nokian Tyres plc will be held on Wednesday, March 25, 2026. Invitation to the meeting was published on February 10, 2026.

More information: **company.nokiantyres.com/investors/corporate-governance/annual-general-meeting/agm-2026**.

Dividend payment

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.25 per share for the financial year 2025 shall be paid to shareholders who are registered in the company's shareholder register maintained by Euroclear Finland Oy on the dividend record date of March 27, 2026. The payment date proposed by the Board of Directors is April 15, 2026.

Financial information

The main objective of Nokian Tyres' Investor Relations is to support the fair valuation of Nokian Tyres' share by consistently and promptly providing all essential information on the company equally to all market participants. We serve investors and analysts both in Finland and internationally.

On our investor website, we publish up-to-date financial information for everyone interested in Nokian Tyres as an investment. In addition to financial reports, presentations, and stock exchange releases, the pages contain information about Nokian Tyres' strategy, share, and major Finnish shareholders.

Nokian Tyres' stock exchange releases can be subscribed at **company.nokiantyres.com/news-and-media/order-releases**.

Financial reports in 2026

Nokian Tyres will publish its financial reports in 2026 as follows:

- Interim Report January–March on April 22, 2026
- Half-year Financial Report January–June on July 17, 2026
- Interim Report January–September on October 27, 2026

The financial reports are published in Finnish and English and are available at **company.nokiantyres.com/investors/reports-and-presentations**.

Silent period

Nokian Tyres observes a silent period before issuing financial statements, interim and half-year reports.

- Start of the silent period: January 1, April 1, July 1, and October 1.
- End of the silent period: The results of the respective quarter are made public.

During the silent period, the company's top management and Investor Relations do not meet representatives of capital markets or financial media, nor comment on issues related to the company's financial situation or general outlook. If an event occurring during the silent period requires immediate disclosure, Nokian Tyres will disclose the information without delay in compliance with disclosure rules and may also comment on the event concerned.

Flagging notifications

Under the provisions of the Securities Markets Act, changes in holdings must be disclosed when the holding reaches, exceeds or falls below 5%, 10%, 15%, 20%, 25%, 30%, 50%, 2/3 and 90% of the voting rights or the numbers of shares of the company.

Notifications of changes in holdings or voting rights must be made without undue delay.

Shareholders are advised to send the flagging notifications to **flaggings@nokiantyres.com**.

IR contact information

Regarding inquiries and meeting requests, you can send an email to **ir@nokiantyres.com**.

Annukka Angeria, Senior Manager, Investor Relations and Strategic Project Communications
Tel. +358 10 401 7581

Address:
Nokian Tyres plc
P.O. Box 20
(Visiting address: Pirkkalaistie 7)
FI–37101 Nokia

nokian®
TYRES

company.nokiantyres.com