Innovation for Customers

Empowering A Sustainable Tomorrow

NITTO EMEA'S SUSTAINABILITY REPORT 2025

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EDITING POLICY

We are proud to present the 2025 Sustainability Report for Nitto in the EMEA region.

This marks our second regional report, voluntarily compiled to reflect our ongoing commitment to aligning with the Corporate Sustainability Reporting Directive (CSRD). It covers key topics in accordance with the European Sustainability Reporting Standards (ESRS), as detailed in the ESRS Index.

This report is a testament to the EMEA region of Nitto's unwavering dedication to addressing social challenges while creating economic value through our sustainability and Environmental, Social, and Governance (ESG) initiatives. Our goal is to keep stakeholders well-informed of our meaningful progress in these critical areas.

Inside, you will find a comprehensive overview of Nitto's journey in the EMEA region, highlighting our growth, transformation, and strategic vision for the future. We outline our plans to co-create enduring and sustainable value in collaboration with our partners and communities.

We hope that this report provides you with a clear understanding of our steadfast commitment to sustainability and ESG objectives. For further insights, we invite you to visit **our corporate website**.

Scope

This report covers Nitto's business activities in the EMEA region. The environmental disclosures focus on our manufacturing plants, while social KPIs include data from both manufacturing sites and sales offices.

TIME PERIOD

Fiscal year 2024 (April 1, 2024 – March 31, 2025). Some performance figures and activities from periods other than those mentioned above are included for reference.

REFERENCE STANDARDS AND GUIDELINES

This report contains consolidated data related to the Nitto Group and Nitto entities in the EMEA region, as described in the report.

The reported data have primarily been obtained by extraction and/or direct calculation from our internal systems and tools, such as financial management reporting and human resource information systems. Environmental data were obtained from our internal environmental tracking systems.

A MESSAGE FROM OUR CEO

Foreword

Dear Stakeholder,

I am very pleased to present Nitto's Sustainability Report for the EMEA region for Fiscal Year 2024.

With this report, we share the efforts and actions that are helping us shape a more sustainable future. Let us take you along on our journey, guided by meaningful targets that keep us on the right path.

At Nitto EMEA, sustainability is not seen as an obligation but as a responsibility we proudly embrace. We share this report because we believe transparency and accountability are essential to achieve real progress in driving sustainability and to empower others. By sharing our actions and ambitions, we aim to lead by example and inspire collaboration with multiple stakeholders.

Our commitment is clear: to integrate ESG (Environmental, Social & Governance) in the core of everything we do and become a Top ESG Company by 2030. We believe this is possible by working closely with our suppliers to source bio-based and biodegradable materials and supporting them in improving their ESG scores. It also means partnering with our customers to offer innovative, sustainable alternatives, such as emulsion-based tapes, biodegradable non-wovens, and by developing PFAS-free (Per- and Polyfluoroalkyl Substances) solutions, while respecting their freedom to decide the pace of transition.

While external partnerships are key, our internal community is equally vital to our sustainability journey. We recognize that our employees are our greatest asset. That's why we continue to invest in their well-being, development, and engagement through inclusive communication, sustainability training, and initiatives that empower them to contribute to our ESG goals. By fostering a culture of ownership and collaboration, we ensure that every team member plays a vital role in building a more sustainable Nitto.

Sustainability is a shared journey. By collaborating across the entire supply chain, we can accelerate positive change and move forward together, toward a more environmentally friendly planet and more human society.

Best regards,
Sam

EXECUTIVE VICE PRESIDENT OF THE NITTO GROUP
PRESIDENT & CEO OF NITTO EMEA

MR. SAM STRIJCKMANS

EMEA REGION IN NUMBERS

Introduction

2388 EMPLOYEES

196KTON WATER

46.7KTON CO_2 (scope 1+2)

435KTON CO_2 (scope 3)

7 PRODUCTION SITES

16.2% FEMALE LEADERS RATIO

353TON VOC

LOST TIME ACCIDENTS **20**

EUR **589M** TURNOVER

14001
9001
45001
ISO CERTIFICATES

EUR**12.4M** OPERATING PROFIT

16.3 KTON WASTE

ALL SITES ECOVADIS

Nitto Group Strategy

TO BECOME AN ESSENTIAL TOP ESG COMPANY

TO BECOME AN ESSENTIAL TOP ESG COMPANY

Nitto Group Strategy

MANAGEMENT STRATEGY

In accordance with its Mission, "Contribute to customers' value creation with innovative ideas," and with the strong determination to place ESG at the core of its management, the Nitto Group has clearly stated in its Basic Policy on Sustainability that it will "simultaneously solve social issues and create economic value" through business activities.

To this end, we aim to be an "essential top ESG company that continually brings amazement and inspiration as a Niche Top creator" by 2030. To achieve this long-term target, we need to bridge the gap with our current position. To that end, determining risks and opportunities as we promote ESG management, we have identified high-priority issues for the Nitto Group, the environment, and society in the form of "material issues for sustainability."

One of the key approaches to solving these issues is the Nitto-style Innovation Model. In the three focus domains of "Power and Mobility," "Digital Interface," and "Human Life," we aim to create PlanetFlags/HumanFlags and achieve sustainable growth and high profitability by differentiating ourselves through the Sanshin Activities and Niche Top Strategy. This reflects our aspiration to be a company essential not only to the global environment and human society, but also to our customers and the industries we serve. By developing double recognized products, we will continue to create value as an "essential top ESG company."

As an action plan to realize the 2030 Ideal State, in fiscal 2023, we kicked off a mid-term management plan, Nitto for Everyone 2025. As we set financial targets to prioritize profitability and future-financial targets to promote ESG management, we are working on the four focus items driven by a strong desire to convert future-financial into financial and corporate value.

The Nitto Group will aim to realize a sustainable global environment and enriched human society by creating "essential" value for the world.

See also **Integrated Report 2025**

Nitto Group's Mission

Corporate Philosophy (Mission)

Contribute to customers' value creation with innovative ideas

Basic Approach to ESG Management

Basic Policy on Sustainability

Simultaneously solving social issues and creating economic value

The Nitto Group keeps challenging itself to realize a sustainable future and support well-being for everyone by serving the global environment, humankind, and society as our customers.

Nitto Group's Long-Term Targets

The 2030 Ideal State

An "essential top ESG company" that continually brings amazement and inspiration as a Niche Top creator

Material Issues for Sustainability	Products Contributing to the Environment and/or Human Life	Niche Top Strategy
Ten material issues identified to solve social issues	PlanetFlags HumanFlags	A strategy for capturing the leading share based on a thorough analysis of evolving and growing markets
Issues with ESG management	Innovation Model	

Three-Year Action Plan

Mid-Term Management Plan, "Nitto for Everyone 2025"

Implementing Our Niche Top Strategy and Nitto-Style ESG Strategy

(Financial and future-financial targets are set as management targets)

PLANETFLAGS / HUMANFLAGS PRODUCT EXPANSION

BACKGROUND/OBJECTIVES

Proclaiming the policy of placing Environmental, Social, and Governance (ESG) principles at the core of our management strategy, the Nitto Group has strategically identified its key material issues for sustainability (materiality). This initiative is designed to simultaneously address pressing social challenges while generating economic value. A central component of our approach is the innovative PlanetFlags/HumanFlags recognition scheme, which serves as a practical implementation of our materiality objectives.

The PlanetFlags/HumanFlags scheme is a unique framework developed by the Nitto Group to evaluate and recognize our products based on their contributions to environmental sustainability and the enhancement of human life. Each product undergoes a rigorous assessment process according to our proprietary standards, focusing on its impact in these two critical areas. Products that demonstrate particularly significant contributions are awarded the distinction of being certified as either a PlanetFlags product, for environmental impact, or a HumanFlags product, for contributions to human well-being.

This recognition process is not just an evaluative tool; it also plays a crucial role in shaping the future direction of our research and development (R&D) efforts. By incorporating these recognition standards into our project selection process, we ensure that our R&D resources are strategically allocated to initiatives that have the potential to achieve PlanetFlags or HumanFlags certification. This forward-thinking approach allows us to continuously enhance our contributions to solving global social issues while driving economic growth through our business activities.

In essence, by prioritizing projects and products that align with our ESG-driven materiality goals, the Nitto Group is committed to making meaningful strides toward a sustainable future. Through the PlanetFlags/HumanFlags recognition scheme, we aim to foster innovation that not only meets current market demands but also anticipates and addresses the environmental and social challenges of tomorrow.

PlanetFlags/HumanFlags Recognition Scheme

The Nitto Group recognizes products that make significant contributions to the environment as PlanetFlags products and those that benefit human life as HumanFlags products.

In the "Sustainable Business Offering" section under Governance, we showcase selected products that have earned PlanetFlags or HumanFlags certification.

Recognition Standards

PlanetFlags

Level of environmental issues solved

Assess quantitative reduction in environmental impact by conducting LCA

Necessity, Industry-leading level

Assess if the products/services are needed in solving the social issue and how superior candidate products/services are to other products/services in the market

Empathy

Assess commendation, recognition, and accolades by third parties

HumanFlags

Level of issues with humanity solved

Assess difficulty solving the issue

Screening and Recognition Process

Call for applications	Preliminary screening	Deliberations	Decision
Applications from all departments of the Group	The secretariat office verifies whether the applications meet the recognition standards	A deliberative body (chaired by the CTO and joined by external experts) determines whether candidate products should be recommended to the Corporate Strategy Meeting	The Corporate Strategy Meeting recognizes PlanetFlags/HumanFlags products

Nitto In The EMEA Region

GENERAL STRATEGY, GOVERNANCE AND MATERIALITY

GENERAL STRATEGY, GOVERNANCE AND MATERIALITY

Nitto In The EMEA Region

BASIS FOR PREPARATION (ESRS2 BP-1-2)

The first sustainability report for Nitto in the EMEA region, reporting on fiscal year 2023, was issued in 2024. This is the second report with the same scope as in fiscal year 2024. This report covers the seven manufacturing sites in the region and is the outcome of the virtual consolidation of Nitto EMEA and its subsidiaries, Nitto Advanced Film Gronau and Nitto Advanced Nonwoven Ascania.

MANUFACTURING AND CONVERTING COMPANIES

- Nitto Belgium NV (Nitto Belgium or BELGIUM)
- Nitto Bento Bantçılık San. ve Tic. A.Ş. (Nitto Bento Bantçılık or TURKEY B)
- Nitto Otomotiv San. ve Tic. Ltd. Sti. (Nitto Otomotiv or TURKEY O)
- Nissho Hungary Precision KFT. (Nissho Hungary Precision or HUNGARY)
- Nitto Denko Czech s.r.o. (Nitto Denko Czech or CZECH)
- Nitto Advanced Film Gronau GmbH (Nitto Advanced Film Gronau or GERMANY G)
- Nitto Advanced Nonwoven Ascania GmbH (Nitto Advanced Nonwoven Ascania or GERMANY A)

The data for the following Nitto entities in the EMEA region were not considered in this report, as they are not manufacturing entities.

REGIONAL HEADQUARTER

- Nitto EMEA NV (Nitto EMEA or BELGIUM)

SALES OFFICES AND TRADING COMPANIES

- Nitto Deutschland GmbH (Nitto Deutschland)
- Nitto France sarl (Nitto France)
- Nitto Italia srl (Nitto Italia)
- Nitto Polska Sp. z o. o (Nitto Polska)
- Nitto Rus L.L.C. (Nitto Rus)
- Nitto Scandinavia AB (Nitto Scandinavia)
- Nitto Denko UK Ltd (Nitto Denko UK)

BRANCHES

- Nitto Denko Netherlands
- Nitto Ibérica, Succursal en España
- Nitto Belgium NV, Representative Office (Hungary)
- Nitto Belgium NV (incorporation in Belgium) external profit company (South Africa)

The goal of this report is to prepare for compliance with the Corporate Sustainability Reporting Standards (CSRD) in 2028, based on the results of fiscal year 2027. Accordingly, this report aims to provide disclosure by referring to the European Sustainability Reporting Standards (ESRS).

This report provides a comprehensive overview of the entire value chain in the EMEA region, as reflected in the impacts, risks, and opportunities described. No material sustainability topics were omitted because of confidentiality concerns related to intellectual property, expertise, or innovation outcomes. The Double Materiality Analysis (DMA) conducted in 2024 has not yet been revised. However, Nitto in the EMEA region is committed to regularly reviewing and refining this process in response to new insights, sector-specific developments, and evolving standards. Throughout this process, thresholds and professional judgments have been, and will continue to be, applied. The time horizons referred to in our Sustainability Statement align with the ESRS definitions. The disclosed quantitative data have high accuracy and low uncertainty, supported by the close monitoring of key performance indicators (KPIs) across our manufacturing sites.

STRATEGY, BUSINESS MODEL AND VALUE CHAIN (ESRS2 – SBM1)

OUR BUSINESS.

Nitto employs 2388 people across the EMEA region and works in two main business sectors: the Functional Base Products Sector (BASE) and Advanced Film Solution Division (AFS). In BASE (comprising Nitto Otomotiv, Nitto Denko Czech, Nitto Belgium, and Nissho Hungary Precision), we serve the Mobility, Living, and Semiconductor markets. We are also active in the medical market to a limited extent. In AFS (comprising Nitto Bento Bantçılık, Nitto Advanced Film Gronau, and Nitto Advanced Nonwoven Ascania), we serve the Personal Care and Technical Films Market. We see the most growth potential in these four markets. Therefore, we strive to meet the demands of our lighthouse customers in these markets.

Torsten Schulze, Managing Director of Nitto Advanced Film Gronau:
"At Nitto Advanced Gronau, ESG (Environmental, Social, and Governance) considerations are integral to our business strategy. In 2025, the importance of a robust ESG framework has become even more pronounced.

A strong ESG performance enhances our corporate reputation, increases brand value, and facilitates access to capital and markets. The efficient use of resources and sustainable production processes not only reduce costs but also mitigate risks, ensuring financial stability. Moreover, a commitment to ESG principles fosters employee retention and motivation by creating a positive working environment and attracting talented professionals.

In today's business landscape, a comprehensive ESG strategy is essential to meet stakeholder expectations and ensure long-term business success. Companies that integrate ESG factors into their core operations are better positioned to navigate regulatory changes, manage risks, and capitalize on emerging opportunities."

TRENDS AND MARKET DEVELOPMENTS

Within the EMEA region, contributing to the environment and humanity starts from the market trends and needs.

NEXT GENERATION MOBILITY MARKET TRENDS

In Europe, production of EV (Electric Vehicles) continues to show double-digit growth, albeit at a slower rate than before. The production manufacturing index (PMI) is below 50, indicating a contraction in which recovery is not expected before fiscal year 2025. In next-generation mobility, Battery EV (BEVs) and Fuel Cell Vehicles (FCVs) have increased, whereas we see a decrease in Internal Combustion Engines (ICEs) and Plug-in Hybrid EVs (PHEVs) have allowed us to go through a transition period. Therefore, we have focused our efforts on BEVs and FCVs.
Mobility shows two main trends: Greenification and Safe and Comfortable Transportation.

Greenification

- Carbon footprint reduction is a trend supported by the EU directives and is pushing the industry to innovate for environmentally friendly products.
- Electrification is a trend with stricter carbon emissions and fuel-economy targets. This is supported by government regulations that increase incentives to encourage faster adoption (especially in the EU and China).

Safe and Comfortable Transportation

- Car electronics, especially human–machine interfaces, are a growing trend. As the Internet Of Things grows, how we interact with devices also changes.
- Autonomous driving and connectivity reflect another trend. The EU envisions achieving "0 fatal accidents on the road by 2050," through innovations in active and passive safety as well as Advanced Driver Assistance Systems (ADAS). There is a growing trend towards safe, connected vehicles with Vehicle-to-Everything (V2X) technology, allowing vehicles to communicate wirelessly with each other and their surroundings via connected devices.

LIVING MARKET TRENDS

Within the living market (covering the interior and exterior of residential and public buildings and domestic appliances), we see two main trends: Energy Efficiency and safe, healthy, and comfortable living.

Energy Efficiency

- EU Commission aims for full de-carbonization by 2050. Buildings are responsible for the 40% of final energy consumption and 36% of GHG emissions in the EU, according to the **European Commission**. The Energy Performance of Buildings Directive (EPBD) requires all new buildings to be nearly zero-energy buildings (NZEB) since 2021. Hence, we have observed a zero-energy housing trend.
- The existing housing stock is also promoting building renovation trends. The EU seeks to renovate 35 million buildings by 2030 as part of its **Renovation Wave Strategy** to boost energy efficiency, reduce emissions, and stimulate the construction sector.
- **The revised renewable energy** directive requests, by 2030, min 42.5% share of renewables in EU energy consumption, with the aspiration to reach 45% up from the previous 32% target). Hence, we see growing emphasis on green sources such as (solar, wind...) in EU energy production.

Safe, Healthy, and Comfortable Living

- The **EU Air Quality Directive** limits particulate matter concentration in the air, promoting clean air trends with air purification, venting, air quality monitoring, and low Volatile Organic Compound (VOC) (fogging) sub-trends.
- Fire safety and flame retardancy have been heavily legislated since the London Grenfell Tower Fire in 2017. However, these flame retardants are toxic, and recent trends have been moving towards halogen-free solutions that are more environmentally friendly and less harmful to health.

SEMICONDUCTOR MARKET TRENDS

In the semiconductor market, we have observed the effect of the EU Chips Act, which will trigger EUR 60 billion in public and private investments. This will enable the EU to achieve its goal of doubling its current global market share from 10% to 20% by 2030. Major semiconductor-related companies have made substantial investments in Europe, and the entire market volume of semiconductors will continue to increase.
Chip development also shows specific trends that translate into two main trends relevant to Nitto: thinner wafers and new substrates.

Thinner Wafers

Semiconductor wafers are becoming increasingly thinner but larger in diameter to enhance productivity and efficiency. A larger wafer diameter enables more semiconductor devices to be produced from a single wafer. However, tape is unsuitable for such thin wafers, bringing the extra challenge of customers looking for other wafer support systems (WSS) that work better with thin wafers, such as glass carrier and glue combinations (glass carrier tape). Hence, we must compete with these other WSS.

New Substrates

In power devices, the semiconductor industry requires smaller devices with higher performances and lower energy consumption. The demand for Silicon Carbide (SiC) and Gallium Nitride (GaN) power devices is growing rapidly due to their significantly higher efficiency and lower power loss compared to traditional silicon, with applications in electric vehicles (EVs), renewable energy, and data centers. This is the reason for the shift in technology from Silicon (Si) to Silicon Carbide and to Gallium Nitride.

PERSONAL CARE MARKET TRENDS

Within personal care, we focus on 4 markets: Baby Care, Femcare, Adult Incontinence, and Home and Personal Care.

In the personal care market, both generic trends and application trends play an important role.

Generic trends

- Here, demographics plays an important role. We see rising birth rates in Africa and Middle East. There's a shining star in Asia Pacific: India – not only with baby boom, but also with a large population of women in need of sanitary napkins. And we see an ageing population in Europe, in China and in other developed countries.
- Sustainability is another trend. Firstly, customers would like to see quality-assuring sustainability. That means they would like to see very clear sustainable product features and they investigate a brand before buying to ensure that their practices match their claims (especially the younger generation). Secondly, personal care products are also related to waste issue (due to landfill and incineration), hence recycling necessity is strongly growing.

Application trends

Here we mainly see comfortable care and remote health monitoring as relevant for Nitto.

- Within comfortable care, there is a rising awareness in EU on comfort, content and safety: requests on comfortable, skin-friendly, breathable, elastic, odor blocking products, without toxic substances. The demand for softer material and softer product is rising.
- Within remote health monitoring, rising chronic diseases among growing geriatric population and technological advancements are pushing market growth of wearable devices. On the other hand, global giants have projects around adult and baby diaper monitoring.

MEMBRANE MARKET TRENDS

The overall European membrane landscape is growing at nearly 9.4% Compound Annual Growth Rate (CAGR), with Reverse Osmosis (RO) as a dominant segment and Nanofiltration (NF)/Ultrafiltration (UF) gaining ground quickly.

Europe-specific RO growth (~5% CAGR) is more modest, possibly reflecting mature markets and slower public infrastructure upgrades—but still a solid growth base complemented by faster-growing global trends.

Industrial Wastewater Reuse and Zero Liquid Discharge (ZLD)

- Driver: Stricter EU regulations such as the Water Framework Directive and Industrial Emissions Directive are pushing industries (textiles, chemicals, power) to minimize water withdrawal and discharge.
- Projected Growth: The broader European membrane separation market, which includes RO, NF, UF, and Microfiltration (MF), is expected to grow at a CAGR of around 9.4% from 2022 to 2030, with RO being the largest revenue contributor in 2021.
- Segment Spotlight: RO is heavily used in wastewater reuse and ZLD, while NF often serves as a pre polisher for selective salt removal.

Food and Beverage Processing

- Driver: Clean-label trends and efficiency targets are propelling adoption of NF and RO in dairies (for protein concentration) and breweries (for de-alcoholization and water reuse).
- Projected Growth: The global NF market is forecast to expand at a CAGR of about 10.8% between 2023–2028, reaching roughly USD 1.7 billion. A longer-term forecast (2025–2034) aligns with this trend, projecting a CAGR of 11.2%, with NF reaching approximately USD 3.93 billion by 2034.

Pharmaceutical and Life Sciences

- Driver: Rising biopharma capacity in Europe and tight regulatory standards for Pharmaceutical Water (Water for Injection or WFI) and purified water are driving demand for specialized low-leachable and heat-sanitizable membranes.

Municipal and Decentralized Water

- Driver: Water scarcity across Southern Europe, North Africa, and the Middle East is increasing reliance on desalination and reuse. EU initiatives and funding for circular water systems support this growth.

Microelectronics and Specialty Manufacturing

- Driver: Expansion of semiconductor manufacturing and high-purity requirements in specialty chemicals are boosting demand for multi stage RO/NF systems to deliver ultrapure water.

MARKET-BASED STRATEGIC OBJECTIVES

Based on market trends, Nitto in the EMEA region has set strategic objectives.

In the mobility market, aim to:

- Develop environmentally friendly solutions for our existing product range
- Offer healthy solutions for car interiors
- Be a solution provider for Thermal Management and Electrical Insulation for electric vehicles
- Be a solution provider for sensing, information interface and smart components for safe and comfortable driving

In the living market, aim to:

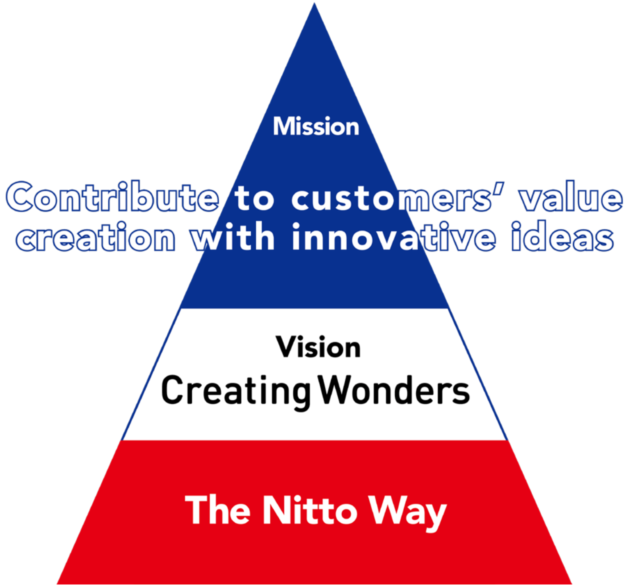
- Be an innovative material supplier to enhance energy efficiency in our living spaces
- Contribute to healthy and comfortable living with air purification and functional surface solutions
- Contribute to safe living with solutions for domestic appliances

In the semiconductor market, aim to:

- Improve existing products and processes to adapt to thinner and larger wafers
- Offer next generation products for new surfaces following the shift in technology from Si to SiC and GaN
- Synergize between sister companies for a PVC-free dicing process to reduce the negative environmental impact

In the personal care market, aim to:

- Develop more environmentally friendly and comfortable baby diaper components
- Go beyond our traditional business of secondary packaging for feminine hygiene
- Develop more functional products for active and bedridden seniors
- Focus on higher functionality products combined with sustainability for home and personal care market.



STRATEGY

Our Mission is to *"contribute to customers' value creation through innovative ideas."* It defines our purpose and remains unchanged. Our evolving Vision, currently *"Creating Wonders"*, helps us fulfill that mission over time. Both are global and realized through The Nitto Way -guided by values like Safety, Sustainability, Diversity, Human Rights, and Integrity.

We keep this mission in mind when developing a Strategy. At Nitto EMEA, strategies are defined at the business unit (BU) level. As mentioned, we have 3 business units: Functional Base Products Sector (BASE), Advanced Film Solutions Division (AFS) and Membrane. Therefore, we have separate strategies Therefore, we have a BASE strategy and an AFS strategy. Here, we examine all global and regional trends. Strategy is about making choices; hence, we decide which trends we will respond to and how, allowing us to reach our goals.

At this level, we decide our strategic direction, the KPIs we must set to achieve the strategy, and an overview of the projects linked to these KPIs. Thus, there is a one-to-one link to why we take certain actions. At the bottom level is our Strategy Execution Roadmap (SER), which includes our detailed projects that the strategy makes achievable within a one-year timeframe.

Cooperation across our supply chain is vital for executing our Niche Top and ESG strategies. In facing environmental challenges, human rights concerns, stricter chemical regulations, geopolitical risks, industry shifts, and supply chain risks have become major management issues. We must not only respond to existing risks but also strengthen our foresight and build flexible systems to adapt quickly to emerging threats and ensure a stable product supply that meets customer expectations.

As a result of EU sanctions against Russia, Nitto in the EMEA region fully stopped all operations and closed the office in Russia.

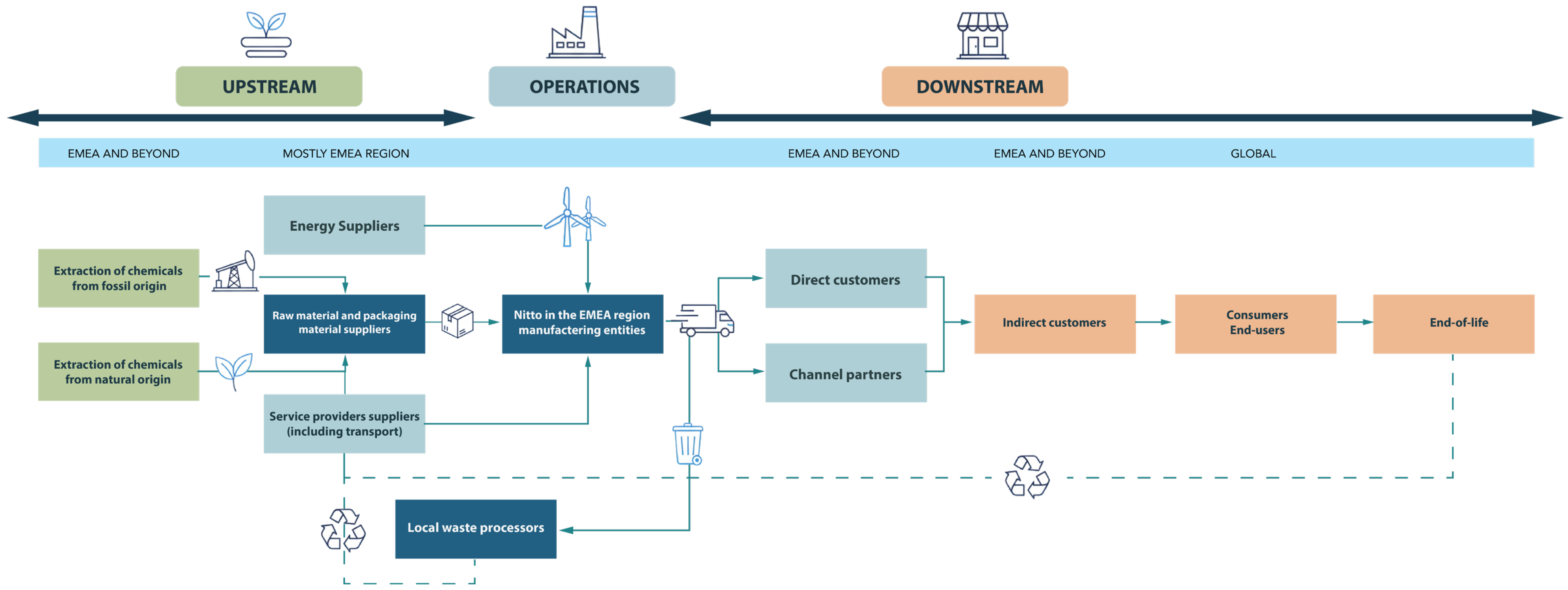
Based on information on relevant laws and regulations collected and shared by specialized departments, we are currently focusing on PFAS restrictions. We are currently researching product formulas and working in close collaboration with authorities regarding our activities.

To maintain or continue the Nitto Group's business undertakings and fulfill our corporate social responsibility (CSR) throughout our supply chain, we defined the Nitto Group's sustainable procurement and acted accordingly.

For risk management, under the leadership of the Supply Chain Committee, we proactively identify potential risks that may be caused by changes in the external environment, such as geopolitical risk and chemical substance regulations, and take necessary actions to stabilize business.

OUR VALUE CHAIN

Nitto's value chain in the EMEA region begins with the procurement of raw materials. We have various raw material suppliers who extract chemicals from fossil and natural origins. We also have packaging material, service provider (including transportation), and energy suppliers. The raw materials we purchase, are converted into semi-finished and finished products by Nitto's five manufacturing and two conversion entities through our production processes. We deliver our final products to our direct business-to-business (B2B) customers and channel partners, who then distribute these products to our indirect customers. Our indirect customers convert and deliver these products to consumers and end users. After being consumed by end users, these products enter the waste stream at the end of their service life. They are processed at local waste treatment plants and can re-enter our supply chain via raw material suppliers who incorporate recycled products into their processes.



STRATEGIC OBJECTIVES AND FUTURE-FINANCIAL TARGETS

The Nitto Group aims to become an essential top ESG company by 2030. As part of this group, Nitto in the EMEA region shares this goal while maintaining sustainable growth and a customer-centric operating model. We want to create economic value and solve social issues simultaneously. We believe that it is possible to make a business both sustainable and profitable. Within the group, we replaced "non-financial" with "future financial", as we view our ESG efforts as assets and forward-looking investments.

Thus, in addition to our conventional financial KPIs, we have adopted concrete future-financial KPIs for our global group in both our decision-making process and progress reporting. This ensures that ESG is at the core of our daily business management. These future-financial KPIs fall into three categories:

1. Environment related future-financial KPIs: Here, we have our CO_2 emissions, to ensure that we are on track in the EMEA region to become carbon neutral by 2045; a Sustainable Materials Procurement Ratio, measured based on weight, to ensure that we convert our upstream supply chain towards a more environmentally friendly design of raw materials; and a waste plastic recycling ratio to keep us on the right path for de-plastification and heading towards a circular economy.

2. Human capital related future-financial KPIs: These include our female leader ratio, to increase the number of female leaders at the middle and top management levels and have a more gender-diverse and inclusive workplace; employee engagement score, to regularly measure the happiness and engagement level of our employees; and challenge ratio, to encourage and support our employees in taking on challenges, which is one characteristic of Nitto's philosophy ("We like to take on challenges").

3. New-business related future-financial KPIs: Here we have our New Products Ratio, to ensure that we keep renewing our product portfolio. We have Niche Top Sales Ratio – Nitto aims to be a top player in focused, specific markets rather than trying to compete in broad, crowded areas. We distinguish between Area Niche Top™, focusing on achieving a leading position in national and regional markets, and Global Niche Top™ for a leading share in the worldwide market by leveraging Nitto's distinctive technologies in niche fields. We also have a PlanetFlags and HumanFlags category revenue Ratio - these are projects/products that contribute to either environment or society.

The table presents the fiscal year 2024 realizations and actual targets compared with the targets, along with the fiscal year 2025 targets for the EMEA region broken down by the BASE and AFS Business Units.

		BASE				AFS			
		(T) FY24	(R) FY24	%	(T) FY25	(T) FY24	(R) FY24	%	(T) FY25
PRODUCT RELATED	New products ratio	7.0%	8.4%	121.0%	9.6%	15.0%	14.3%	96.0%	18.1%
	Niche Top revenue ratio	12.0%	13.9%	116.0%	14.9%	27.0%	0.0%	0.0%	0.0%
	PlanetFlags/HumanFlags category revenue ratio	0.6%	0.1%	10.0%	0.1%	12.0%	13.2%	110.0%	19.0%
ENVIRONMENT RELATED	CO2 emissions (Scope 1+2) ktons/year	22.0	20.2	109.0%	20.0	31.4	26.6	118.0%	12.2
	Waste plastics recycling ratio	38.0%	37.5%	99.0%	37.6%	92.5%	89.4%	97.0%	90.8%
	Sustainable materials procurement ratio	23.9%	24.2%	101.0%	23.0%	16.5%	26.8%	162.0%	28.0%
HR RELATED	Female leaders ratio	19.0%	16.5%	87.0%	19.0%	19.0%	16.5%	87.0%	19.0%
	Engagement scores	80.0%	79.0%	99.0%	82.0%	80.0%	79.0%	99.0%	82.0%
	Challenge ratio	50.0%	23.7%	47.0%	50.0%	50.0%	23.7%	47.0%	50.0%

≥ 100%
< 100% and ≥ 50%
< 50%

ENVIRONMENTAL STRATEGY IN THE EMEA REGION

	2023 REALIZATION	2024 REALIZATION	2025 TARGET
Carbon reduction	49%	60%	72%
Waste reduction	41%	37%	40%
VOC reduction	64%	71%	69%

No manufacturing company can avoid having an environmental impact through its energy and resource consumption and waste generation. Reducing their environmental impact is a social responsibility of companies, and as such, we must always demonstrate originality and ingenuity.

In its basic environmental policy, the Nitto Group has set its original goal of striving for zero environmental impact by expanding its scope of activities from within the group to the entire supply chain and contributing to a sustainable society by utilizing its proprietary technologies and accumulated knowledge. In 2018, Nitto in the EMEA region created its first Environmental Action Plan, outlining our environmental goals, social targets, and governance strategies.

CARBON REDUCTION: CLIMATE CHANGE

By 2025, we aim to reduce Scope 1 (direct emissions) and Scope 2 (indirect emissions) CO_2 emissions by 72% compared with our baseline in 2018. This will be necessary for the EMEA region to become carbon-neutral by 2045 (Scope 1+2 relevant). **The Greenhouse Gas Protocol**

CARBON REDUCTION: ENERGY MANAGEMENT

Renewable energy contracts and on-site energy generation.
Since January 2025, we have supplied all our sites in the EMEA region with green electricity. Some sites have also installed solar panels on their roofs to generate green energy on their own to a certain extent.

WASTE REDUCTION

Waste reduction by 40% by 2025 compared to 2018 in total volumes. Recyclable waste is also included in this figure.

VOC REDUCTION (AIR POLLUTION)

We will reduce VOC emissions by 40% by 2025 compared with 2018. This figure also includes recyclable waste.

SUSTAINABILITY CERTIFICATION

Sustainability certification is the fourth pillar of the EMEA Environmental Strategy, along with climate action, waste reduction, and VOC reduction. The goal is for all manufacturing sites to achieve EcoVadis platinum status by the end of fiscal year 2025. Nitto in the EMEA region has chosen EcoVadis as a globally recognized organization that provides sustainability ratings and solutions to help organizations manage, measure, and improve their sustainability performance across the value chain. By fiscal year 2024, three sites had reached platinum and three held gold, with action plans in place for the others. The data below provides an overview of the scores for the different themes per site.

Table: EcoVadis status per site at the end of fiscal year 2024

	STATUS	TOTAL SCORE	ENVIRON-MENT	LABOR & HU-MAN RIGHTS	ETHICS	SUSTAINABLE PROCURE-MENT
Germany G	Platinum	88	88	91	79	81
Belgium	Platinum	87	90	90	80	70
Czech	Platinum	80	80	80	80	80
Germany A	Gold	73	80	70	60	80
Hungary	Gold	74	80	70	70	80
Turkey B	Gold	79	79	78	83	71
Turkey O	Silver	69	70	70	70	60

Bahadır Buğrul, Managing Director of Nitto Bento Bantçılık:
"In FY24, we demonstrated our strong operational discipline and strategic investments in sustainability and safety. The improvements in environmental performance, employee well-being, and certification milestones position us well for future growth and recognition. These efforts directly support our goal of achieving EcoVadis Platinum and contribute to Nitto's long-term environmental vision."

CSR promotes ethical practices and community engagement, making it central to this strategy. The EMEA region is committed to reducing its environmental impact while supporting local communities and driving continuous improvement and accountability across all sites.

SUSTAINABILITY AT THE CORE

Nitto in the EMEA region has assessed its current significant products per market.

MOBILITY

Environmentally Friendly Solutions for Existing Products

- Bio-circular EPDM Foam: This foam was developed with a strategic focus on supplying automotive OEMs and utilizing bio-based feedstocks to reduce CO_2 emissions by 55%.

Green and Healthy Car Interiors

- Emulsion Double-Coated Tape: Non-solvent tape for low-VOC car interiors to reduce harmful emissions by 50%.
- Green EPTSEALER™: Combining bio-circular EPDM foam with Emulsion Double-Coated Tape.
- TEMISH™ Membrane: Cabin air filters with HEPA-level approval to promote clean indoor air for automotive and electrical trains.

Enhancing Circularity

- Debond-on-Command Tape: Electrically triggered tape for the easy disassembly of battery modules, aiding recycling efforts. This tape is a response to the challenges posed by the EU's Right to Repair Directive.

Thermal Management for Electric Vehicles (EVs)

- Thermal Conductive Sheet: For inverters, which are crucial for EVs.

Electrical Insulation for Electric Vehicles (EVs)

- Fuel Cell Sub-gasket: Strong bonding and sealing for improved electricity generation in hydrogen fuel cells.
- Electrical Insulation tape: Protect battery cell from electrical short cut
- Foaming Insulation paper: Process evolution away from Varnish(liquid) solution for E-motor
- EPTSEALER™ for Battery Pack: Gap filler with electrical insulation functions.
- TEMISH™ Membrane: Temperature and pressure release functions for ECU (Electronic Control Units) and e-PWT (e-Powertrain).

Sensing, Information Interfaces, and Smart Components

- Smart Tire Project: Monitoring tire temperature, pressure, and dynamic behavior for predictive maintenance.

These initiatives reflect Nitto's commitment to sustainability, safety, and innovation in the automotive industry.

LIVING MARKET

Enhancing Energy Efficiency in Living Spaces

- Solar Panel Assembly Solutions: Foam tape for solar panel assembly, a collaboration between Nitto Belgium and the Americas. Recognized as an Area Niche Top™ (ANT) project for 2024, it supports renewable energy.

Promoting Healthy and Comfortable Living

- Air Filtration Solutions: TEMISH™ membranes for respirators, industrial masks, vacuum cleaners, and asbestos-removal equipment. These feature a low-pressure drop for energy efficiency.
- Functional Surface Protection: Nitto privacy film for interior glass walls that block display images to protect sensitive data.

These initiatives highlight Nitto's commitment to innovation, sustainability, and safety in various aspects of living spaces.

SEMICONDUCTOR MARKET

Nitto's initiatives are summarized as follows:

Improving Products and Processes for Thinner Wafers

- Die Attach Film (DAF): Developing film to reinforce thinner wafers (20um) before dicing, with heat resistance.

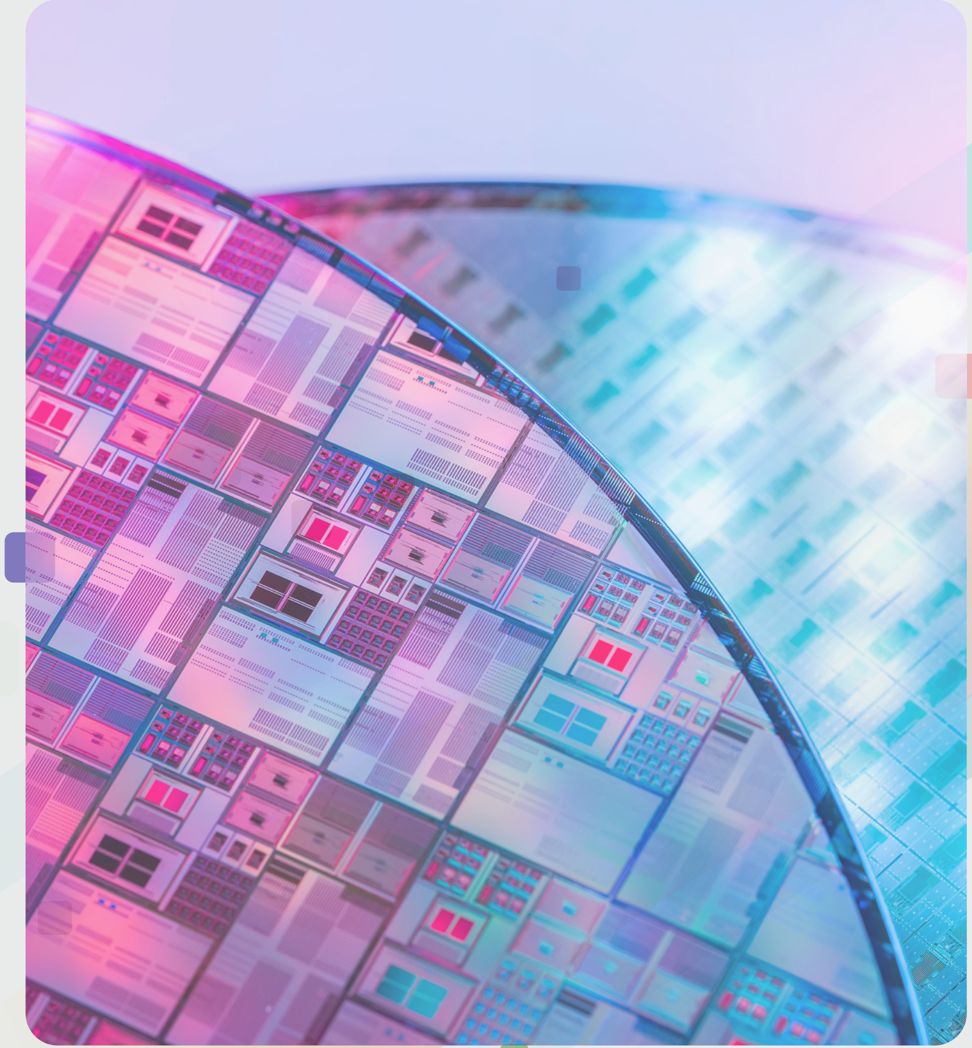
Next-Gen Products for New Surfaces (Si to SiC, GaN)

- NITOFLON™ Tape: Used as cushioning material during sintering and molding processes.
- Laser Cutting Dicing Tape: Developing tape that resists laser light during cutting.
- Full Sintering Sheet Material: New material for bonding chips to substrates in power devices, with high heat resistance, conductivity, and electrical conductivity.

Reducing Environmental Impact with PoliVinylChloride (PVC)-Free Dicing Process

- Non-PVC Dicing Tape: Developing a dicing tape with similar performance to PVC without negative environmental impact.

These initiatives reflect Nitto's commitment to innovation and sustainability in semiconductor manufacturing.



PERSONAL CARE MARKET

AFS focuses on higher sustainability without compromise in comfort, performance and fit. We offer solutions based on non-fossil fuel biomass certified materials (ISCC+), continue to reduce virgin fossil fuel based raw materials with more recycled content like Post-Consumer Recycled content (PCR) raw material in our films, while we also reduce the CO_2 impact via smart downgauging. Besides that, we continue to deliver sustainable innovations to our key stakeholders like fully biodegradable and industrial compostable Films and Nonwovens.

Baby Care Market

We are committed to higher sustainability ambitions that allows no compromise in comfort and fit for our little ones. While we strive to achieve highest performance ambitions, our new and innovative elastic closing solutions as well as integrated gentle waistband films or super comfortable pocket style waistband materials became global sanshin and human flag certified.

Synergies across our AFS plant network include the whole closing system with pure nonwoven frontal tape solutions for improved fastening and innovative closure tape designs with enhanced functionalities for every elastic ear design. They ensure easy handling and secure fit – with zero quality failures. Alongside our offering for open tape type baby diapers, we have Z-tapes for pants type baby diapers to secure safe and hygienic changing procedures and prevent contamination.

Femcare Market

We´re offering the thinnest high performance pouch films in the market. We are proud to claim that we offer the most resourceful and quality-controlled use of silicone to enable enhanced release functionalities. This helps our customers to safe on glue add on rates and still offer benchmark and robust fixation of the product to do its job properly under any circumstance. Our tremendous efforts to keep same or similar performance helps our customers to safe in their CO_2 footprint with very thin films processable on any converting line.

On top of that we are offering fully biodegradable Nonwovens that could solely function as Pantyliners or boost functionality as unique layers for sanitary pads with premium liquid distribution and management. Our super soft top sheet nonwovens keep skin dry to ensure longer use without skin irritation.

Within our AFS network we are also offering the ideal combination of pouch films combined with exactly designed re-seal tapes. Another example how different Nitto plants come together and innovate to offer a full system solutions instead of just a single component. Thinking and inventing in complete solutions saves resources leading to higher sustainability on the long run.

Adult Incontinence Market

Our human flag and planet flag certification underlines the commitment to develop highly functional products designed for active and bedridden seniors. While higher functionality keeps dignity and well-being for our families, all our innovations target to improve caregivers' daily routines and avoid unnecessary waste. Keeping performance and comfort of AHP´s functional for its desired use time avoids unsustainable working procedures. We´re actively developing new functionalities for better leg cuff comfort that avoids leakage, ideal elastic stripe designs in belt systems of AI briefs to keep comfort for seniors and handling advantages of the ones taking care and finally next generation of 360 degrees discreet underwear style elastic stretch film to help seniors remain active. No matter if light incontinence or moderate to heavy incontinence demands, we are committed to offer the ideal solution for any life stage.

One of our recent innovations is an activatable odor control system that interacts to liquids on demand. It can be used to mask odor on demand or release deodorant when it´s really needed. Other solutions require loading of way to high ingredients to ensure functionality. Our solution is resourceful because it will only release its functionality on demand. This is another way to safe valuable resources and safes time for caregivers to really care about seniors. It also avoids additional waste for self-confident consumers to discreetly wear and trust the product throughout the day. Dignity and self confidence in any situation without being noticed or feel uncomfortable – that´s what we do.

Personal Care and Home Care

One of Nitto´s core strength is our commitment to actively drive advanced and innovative niche top solutions. We don't wait while others rest. With ESG at the core of our management we believe in innovation and creating wonders for our customers. That´s why we were the first company globally to strive and invest in a next generation, fully sustainable technology that even lifts functionality and significantly improves liquid management.

With our strong know-how in multi-functional layer composites for Nonwovens we are now able to address premium applications being plastic-free, 100% from renewable resources and with higher liquid management functionalities and lower CO_2 footprint than seen before.

Our Nonwovens designed for various product categories from Baby Wipes to Washing Gloves and Floor Cleaning solutions, addressing long time consumer desired sustainability aspects, are now with biodegradability and home-compostability. We´re not just stating that, it´s proven with an LCA study that´s benchmark for the future of the whole industry. We are proud that the Ocean is for fish again because our Nonwovens really disintegrate in water.

MEMBRANE MARKET

As we have pivoted away from traditional seawater desalination, we are focusing on the following key segments:

- Industrial Wastewater where water shortages are expected be 40% and industry is looking at recycle as an economical option. We have developed a line of products, PRO-SERIES, that are more fouling resistant and robust to tolerate industrial wastewater.
- Dairy where we have built a strong position in North America and are looking to extend that to Europe with additional product innovation and working with key channel partners and end-user.
- Pharma where we can leverage our SANRO heat sanitizable membranes and begin penetration of a final filter UF, K4R-PW1, that enables a total membrane ultra-pure water solution.
- Semiconductor where we can leverage our position in Japan with high purity RO and final filter K6R UF solutions to address the high purity requirements of the latest chip design. We continue to innovate with lower pressure membranes. Extra focus will be needed at the end-user level to pull through our product offerings.

INTERESTS AND VIEWS OF STAKEHOLDERS (ESRS2 SBM-2)

Our key stakeholders include employees, suppliers, direct customers, channel partners (distributors), and shareholders. We do not engage directly with end customers but have an indirect effect via our B2B partners.

- Employee Engagement: (see also ESRS S1)
- Supplier Engagement (see also ESRS S2)
- Customer Engagement: (see also ESRS S4)
- Shareholder Engagement:The Nitto Group has its global **annual shareholder meeting** in June. In that meeting, Nitto shares its Business Report, Consolidated and Non-Consolidated Financial Statements, and Midterm Plans (towards 2025 and 2030). Approval of the proposed dividends from the surplus and elections of directors and corporate auditors also occurs during the meeting.

All stakeholders' views and interests are considered in the global midterm plan towards 2025 (MTP25) prepared by Nitto Japan. Within the EMEA region, our Business Units converted this into an EMEA midterm plan, showing what is relevant to our region and how the EMEA can contribute. We began with a market analysis and market trends to respond to the needs of our essential customers. We also worked on departmental strategies to respond to different stakeholders' interests. For example, HR has prepared sustainable action plans to increase employee engagement. Our EMEA procurement department has focused on sustainable procurement and a sustainable upstream supply chain, with an action plan to push suppliers to obtain sustainability ratings.

Finally, we have proposed an integrated EMEA Midterm Plan translated to the departmental level. After our midterm plan is approved by the Nitto EMEA Executive Committee (EC), which comprises EMEA and Japanese members, it is shared with all EMEA employees in multiple sessions, ensuring that everyone is informed of the direction ahead and has an idea of how they can contribute.

Gani Harbutoglu, Managing Director of Nitto Otomotiv:
"At Nitto, ESG is not a separate initiative — it is the foundation of how we operate, innovate, and grow. As a converting company, we are fully aligned with this vision by embedding environmental responsibility, social value, and strong governance into every aspect of our daily work. It's not just about meeting goals; it's about building a sustainable future that benefits everyone."

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (ESRS2 SBM-3)

In 2019, the Nitto Group identified material issues for sustainability (materiality) to simultaneously solve social issues and create economic value. Amid the changing external environment and with sustainability and Environmental, Social, and Governance (ESG) performance gaining importance worldwide, the Nitto Group announced that it plans to place ESG at the core of its management. Accordingly, the Group revisited its material issues for sustainability to become an "essential" entity for the global environment, humankind, and society, further driving sustainable growth.
We selected and identified these material issues from those deemed important because of their potential long-term effects on the company and its stakeholders (the environment and society). By implementing these measures, we can identify the risks and opportunities associated with each issue and reflect them in our business plans.

At Nitto in the EMEA region, we have conducted our own materiality analysis in line with ESRS requirements. The material impacts, risks, and opportunities identified in the EMEA region are related to our regional strategy. This is why we consider CO_2 emissions, gender equality, the circular economy, sustainable product innovation, and employee engagement and lay the foundation for our future-financial KPIs. With our sustainable business offerings and governance, we can have a positive impact on our stakeholders.

MATERIAL IROS (IMPACTS, RISKS, AND OPPORTUNITIES) PER TOPIC

ENVIRONMENT

STANDARD	MATERIAL TOPIC	DESCRIPTION	IRO	TIME HORIZON
ESRS E1	Climate change	Climate change adaptation: Extreme weather conditions, with financial risk caused by more extreme weather conditions destroying crops, raw materials for processing activities, and infrastructure	Risk	Long-term
ESRS E1	Climate change	Climate regulation on the sector – impact of stricter regulation on emissions (e.g., direct and indirect carbon taxes)	Risk	Short-term
ESRS E1	Climate change	Non-compliance with mandatory CO_2 reduction in our operations or in the value chain can lead to customer loss (e.g., impact of own direct and indirect emissions (Scope 1 and 2 emissions), including indirect emissions in the value chain caused by sourcing raw material, transportation, and purchasing packaging materials (Scope 3 emissions)	Risk	Medium-term
ESRS E1	Energy management	Increasing energy prices (natural gas, other fuels, and electricity) caused by to regulatory and market changes. A sharp rise in renewable energy prices, carbon taxes, or emissions trading prices could lead to an unavoidable increase in production costs, potentially adversely affecting the Group's performance	Risk	Medium-term
ESRS E1	Climate change	Impact of our direct and indirect emissions (Scope 1 and 2 emissions), including the indirect emissions in the value chain due to sourcing of raw material, transport, purchase of packaging materials (Scope 3 emissions)	Actual negative impact	Short-term
ESRS E1	Energy management	Energy management: reducing energy consumption through more efficient processes, more energy-efficient buildings, processes and lighting, or/and use of renewable energy	Actual positive impact	Short-term

Short-term = less than 1 year; Medium-term = 1–5 years; Long-term = over 5 years.

STANDARD	MATERIAL TOPIC	DESCRIPTION	IRO	TIME HORIZON
ESRS E2	Substances of concern	Regulatory Compliance Risk: Releasing substances of concern into the environment could pollute the local environment, possibly resulting in fines, penalties, loss of public trust and damage to the company's brand image, adversely affecting the Group's performance	Risk	Medium-term
ESRS E2	Air pollution	Impact of our operations and the value chain on the release of pollutants and other emissions into the atmosphere	Actual negative impact	Short-Term
ESRS E2	Substances of concern	Impact of releasing substances of concern, including chemicals, materials, or by-products that pose risks to human health or the environment because of their toxicity, persistence, bioaccumulation, or potential for long-term harm	Actual negative impact	Short-Term
ESRS E2	Microplastics	Impact of releasing microscopic plastic particles, which are generated throughout all stages of the company's operations, from raw material extraction to product disposal or recycling in the value chain	Actual negative impact	Short-Term
ESRS E3	Water management	Water availability: financial risk caused by shortages of sufficient and quality natural water resources	Risk	Long-term
ESRS E5	Circular economy	Application of single-use plastic: financial risk because of reasons such as bans on single-use plastic, loss of consumers due to their critical view on plastic packaging, and low availability of alternative materials with a small ecological footprint	Risk	Short-term
ESRS E5	Circular economy	High demand and high cost of materials: financial risk due to low availability and high prices of material	Risk	Short-term
ESRS E5	Circular economy	Focus on reusing/recycling resources to positively affect the environmental footprint throughout the value chain High demand for circular products will create a new market and increase customer focus on these types of products	Opportunity	Medium-term
ESRS E5	Circular economy	This impact includes the use of reusable, recycled, and sustainable resources and the efficient use of resources	Actual positive impact	Short-term
ESRS E5	Waste management	Waste generation of raw materials or plastics during our operations and in the value chain	Actual negative impact	Short-term
ESRS E5	Waste management	Improved waste collection and recycling can set up new recycling chains, thereby contributing to zero waste	Actual positive impact	Short-term

Short-term = less than 1 year; Medium-term = 1–5 years; Long-term = over 5 years.

SOCIAL

STANDARD	MATERIAL TOPIC	DESCRIPTION	IRO	TIME HORIZON
ESRS S1	Employee health and safety	Non-compliance with safety regulations can lead to employee accidents, resignations, reputational damage, regulatory penalties, and the inability to meet customer requirements because if capacity restrictions	Risk	Short-term
ESRS S1	Working conditions and well-being	War for talent: poses a risk because attracting and retaining the right profiles is becoming increasingly difficult	Risk	Short-term
ESRS S1	Diversity, equity, and inclusion	Shifting demographics: includes population growth, aging, new generation, urbanization, social mobility, and migration	Risk	Long-term
ESRS S1	Employee health and safety	Safety and ergonomics of employees: impact on accidents, work-related injuries, or illnesses	Actual negative impact	Short-term
ESRS S1	Working conditions and well-being	Mental health: impact on burnout or burnout prevention by paying attention to work–life balance through flexible hours and remote work	Actual positive impact	Short-term
ESRS S1	Diversity, equity, and inclusion	Female empowerment: safeguarding the representation of women in selection procedures, ensuring women have the same career opportunities as men, and being committed to equal pay for equal work	Actual positive impact	Short-term
ESRS S1	Diversity, equity, and inclusion	Diversity and inclusion: hiring people regardless of factors such as gender, race, and age and providing a workplace where everyone feels a sense of belonging	Actual positive impact	Short-term
ESRS S1	Diversity, equity, and inclusion	Fair remuneration: ensuring a decent and fair wage relative to performance	Actual positive impact	Short-term
ESRS S1	Diversity, equity, and inclusion	Associate security: income protection in case of events such as illness or parenthood	Actual positive impact	Short-term
ESRS S2	Human rights	Impact on human rights by ensuring minimal social safeguards are met for all employees and workers in the value chain	Actual positive impact	Short-term

Short-term = less than 1 year; Medium-term = 1–5 years; Long-term = over 5 years.

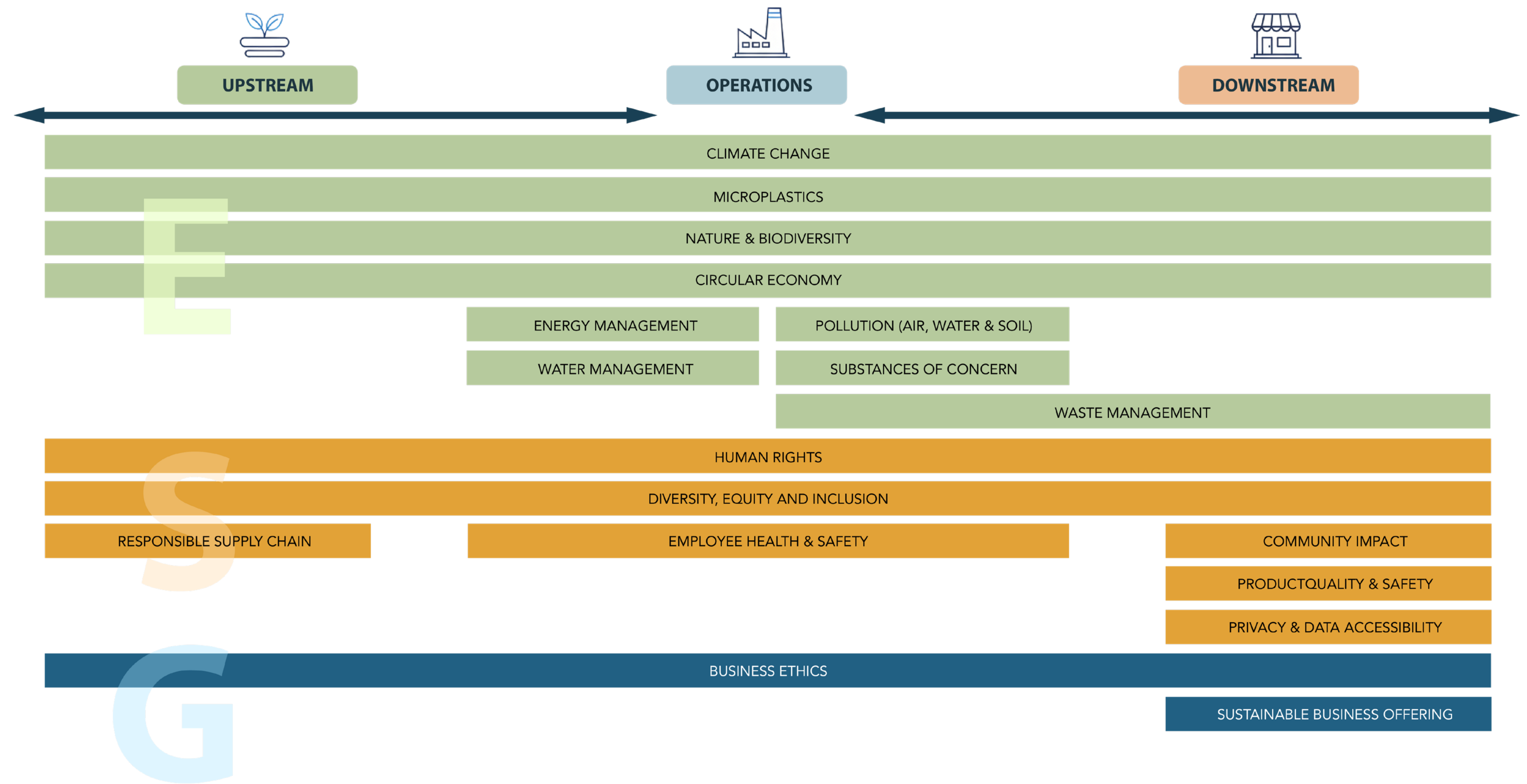
STANDARD	MATERIAL TOPIC	DESCRIPTION	IRO	TIME HORIZON
ESRS S2	Human rights	Not complying with human rights and national legislation across the value chain can cause investor withdrawal, reputational damage, regulatory sanctions, and legal consequences, thereby leading to financial effects	Risk	Short-term
ESRS S2	Responsible supply chain	Social dialogue with workers in the value chain: engaging with workers in the value chain to ensure that they have good working conditions	Actual positive impact	Short-term
ESRS S4	Product quality and safety	Safety errors and quality of products: Nitto may be held liable for compensation for defects, which may affect sales and reputation	Risk	Short-term
ESRS S4	Product quality and safety	Product safety: offering products without any harmful substances, unknown objects, or microbial contamination; Quality products: offering quality and authentic products for an optimal consumer experience	Actual positive impact	Short-term
ESRS S4	Privacy and data accessibility	Impact on consumer and end-user protection by safeguarding their data and privacy, including providing transparency in information sharing	Actual positive impact	Short-term

Short-term = less than 1 year; Medium-term = 1–5 years; Long-term = over 5 years.

GOVERNANCE

STANDARD	MATERIAL TOPIC	DESCRIPTION	IRO	TIME HORIZON
ESRS G1	Business ethics	Building a corporate culture of integrity and trust for all stakeholders	Opportunity	Short-term
ESRS G1	Business ethics	Financial impact related to cybercrime, data security, and losses, which in turn can affect business continuity and possibly lead to fines	Risk	Short-term
ESRS G1	Business ethics	Opportunity of partnerships in the supply chain: creating reputational opportunities by working together with various partners to create a positive impact in terms of climate change and human rights	Opportunity	Short-term
ESRS G1	Sustainable business offerings	Creating products that lower customers' environmental footprint, which can provide leverage on products prices and a competitive advantage in the market	Opportunity	Short-term
ESRS G1	Sustainable business offerings	Environmental management systems (EMS): Adopting environmental management systems and implementing best management practices (BMPs) for pollution control and environmental stewardship can demonstrate a commitment to responsible environmental management and compliance with regulatory requirements	Opportunity	Short-term
ESRS G1	Business ethics	Integrity and business ethics: not allowing bribery or corruption and promoting ethical behavior among associates, including grievance mechanisms and whistleblowing procedures, to enable people to report unethical behavior at any stage of the supply chain.	Actual positive impact	Short-term
ESRS G1	Sustainable business offerings	Through its business solutions, Nitto enables its customers to reduce or minimize their environmental footprint	Actual positive impact	Short-term

Short-term = less than 1 year; Medium-term = 1–5 years; Long-term = over 5 years.


UPSTREAM
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CLIMATE CHANGE
MICROPLASTICS
NATURE & BIODIVERSITY
CIRCULAR ECONOMY
ENERGY MANAGEMENT
POLLUTION (AIR, WATER & SOIL)
WATER MANAGEMENT
SUBSTANCES OF CONCERN
WASTE MANAGEMENT
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HUMAN RIGHTS
DIVERSITY, EQUITY AND INCLUSION
RESPONSIBLE SUPPLY CHAIN
EMPLOYEE HEALTH & SAFETY
COMMUNITY IMPACT
PRODUCTQUALITY & SAFETY
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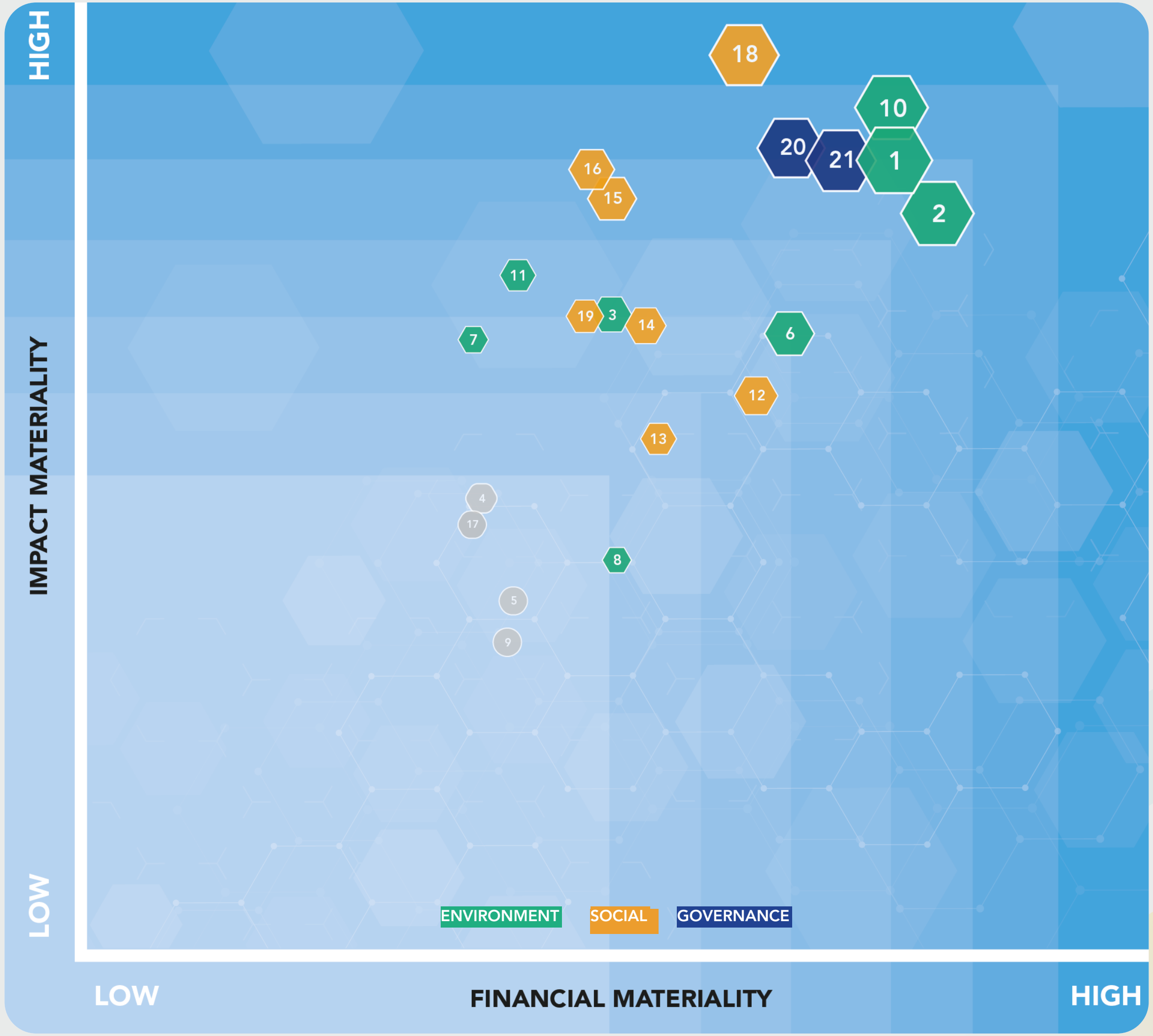


DISCLOSURE OF THE MATERIALITY ASSESSMENT PROCESS (ESRS2 IRO 1-2)

The DMA was performed in the EMEA region in 2024 to evaluate the ESG impacts that arise from their business relationship with us. Since then, the DMA has not been re-evaluated. The outcome of the materiality analysis was integrated into the core of our management and sustainable business strategies. These plans and the progress made on them are regularly reported to our management, and affected stakeholders are informed of our actions, facilitating open two-way communication.

For our DMA, we contacted only the affected stakeholders (employees, customers, suppliers, and the global Nitto Group). Nevertheless, Nitto also engages with industry associations (e.g., Responsible Business Alliance, Science Based Targets, Afera, and European BioPlastics), universities, local communities, unions, works councils, and non-governmental organizations (UNICEF and WWF).

The DMA results for Nitto in the EMEA region are detailed in **the 2024 Sustainability Report**.

ENVIRONMENT

1. CLIMATE CHANGE
2. ENERGY MANAGEMENT
3. POLLUTION OF AIR
6. SUBSTANCES OF CONCERN
7. MICROPLASTICS
8. WATER MANAGEMENT
10. CIRCULAR ECONOMY
11. WASTE MANAGEMENT

SOCIAL

12. EMPLOYEE HEALTH & SAFETY
13. WORKING CONDITIONS & WELL-BEING
14. DIVERSITY, EQUITY AND INCLUSION
15. HUMAN RIGHTS
16. RESPONSIBLE SUPPLY CHAIN
18. PRODUCT QUALITY AND SAFETY
19. PRIVACY & DATA ACCESSIBILITY

GOVERNANCE

20. BUSINESS ETHICS
21. SUSTAINABLE BUSINESS OFFERING

Environment

INNOVATION THAT RESPECTS NATURE

INNOVATION THAT RESPECTS NATURE
Environment

E1 CLIMATE CHANGE

MATERIAL IMPACT, RISKS, AND OPPORTUNITIES FOR CLIMATE CHANGE (ESRS E1 SBM-3)

Nitto's operations in the EMEA region, particularly those involving chemical processes, contribute to climate change through direct and indirect GHG emissions. These include Scope 1 (direct) emissions from on-site activities, Scope 2 (indirect) emissions from purchased energy, and Scope 3 emissions across the value chain, such as raw-material sourcing, transportation, and packaging. These emissions represent a significant environmental footprint and highlight the need for continued efforts to reduce the carbon impact across all stages of our production and supply base.

Nitto also recognizes several climate-related risks that could affect its operations and performance. Extreme weather events pose financial threats by damaging crops, raw materials, and infrastructure. Stricter climate regulations, such as direct and indirect carbon taxes, may increase compliance costs. Failure to meet mandatory CO_2 reduction targets, across Scope 1, 2, and 3 emissions, could result in customer loss and reputational damage. Additionally, rising energy prices driven by regulatory and market shifts, including higher costs for renewable energy and emissions trading, may lead to increased production expenses and affect overall business performance.

Nevertheless, we see opportunities in this area. Robust energy management offers Nitto the opportunity to cut costs and reduce its environmental impact by improving process efficiency, switching to energy-saving infrastructure, and increasing the use of renewable energy sources along with green electricity.

Nitto's Integrated Report includes climate emission scenarios to assess the resilience of its current strategy and business model against climate-related risks and opportunities over short-, medium-, and long-term time horizons.

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION (ESRS E1-1)

The Nitto Group places ESG at the core of its management, aiming to solve social issues and create economic value simultaneously. Climate change, particularly global warming, is a challenge common to all humankind that must be resolved to pass on a prosperous planet to the next generation.
To accelerate its decarbonization activities, the Nitto Group joined RE100 to promote the social implementation of renewable energy and applied for SBT certification to achieve zero environmental impact, not only on its own but also throughout its supply chain. See also Nitto's Integrated Report.

RE100 is a global initiative that brings together influential businesses committed to using 100% renewable electricity. Led by the Climate Group in partnership with the CDP, RE100 aims to accelerate the transition to a zero-carbon electricity system by encouraging companies to set ambitious renewable energy targets and publicly report their progress. The Nitto group aims to fulfill the strict requirements of RE100 by 2035.
The transition plan for climate change mitigation is in line with these memberships and the Paris Agreement.

Within the EMEA region, the main actions for Scope 1+2 reduction (one of our future-financial targets) are related not only to energy efficiency but also to shifting to green electricity.

For Scope 3, in which Category 1 is the largest, one of the future-financial targets is the Sustainable Materials Procurement Ratio. How this is linked with Category 1 emissions is described in ESRS E1-6.

Another future-financial target is linked to the plastic waste recycling ratio (Category 5 of Scope 3). The more plastic waste that can be recycled instead of being thermally incinerated, the more Scope 3 emissions can be decreased. This also contributes to a circular economy.

In fiscal year 2024, Nitto's environmental investments in the EMEA region focused primarily on climate change, totaling approximately €82,000 in CAPEX. Further details are provided in E1-3. Between fiscal years 2017 and 2024, nearly €18 million was invested in ESG-related capital expenditures across various manufacturing sites - demonstrating a strong and sustained commitment to environmental, social, and governance goals. While investment in fiscal year 2024 was relatively modest, it reflects a period of consolidation rather than a decline in dedication, building

on the solid foundation of progress achieved in the region over previous years.
Climate change and the road to becoming carbon neutral by 2050 at the Group level and by 2045 for the EMEA region are essential to Nitto's strategy. As explained above, future-financial targets are set at the Group level and communicated to various regions and units, as well as various Business Units.

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (ESRS E1-2)

The Nitto Group is committed to creating and maintaining an environmentally responsible workplace that benefits not only our employees but also the communities in which we operate. We recognize that long-term business success depends on our ability to manage natural resources sustainably and minimize our environmental footprint.

Each Nitto Group company has a clearly defined environmental policy to ensure that its commitment is embedded in its global operations. These policies are tailored to local contexts, while remaining aligned with group-wide environmental principles and strategic objectives. Although no single EMEA-wide policy exists, each entity within the region maintains its own environmental policy based on its specific activities and local requirements.

Our environmental commitment is built on the following pillars:

- Regulatory Compliance and Global Standards
  We operate in full compliance with all applicable environmental laws and regulations as well as the Nitto Group's global guidelines on the environment.

- Responsible Chemical Management
  We maintain a consistent and transparent approach for the safe handling of chemical substances, including the raw materials used in our manufacturing processes.

- Operational Excellence and Continuous Improvement
  We are continuously refining our processes to ensure environmentally friendly operations. Our focus areas include the following:
  Proactive hazard elimination and risk reduction through dynamic risk management
  Reduction of waste, wastewater, and preservation of soil quality
  Minimization of air and noise emissions
  Efficient use of raw materials and water
  Energy efficiency initiatives aimed at reducing our carbon footprint

- Sustainable Innovation
  Environmental and health considerations are integrated into the development of new products and technologies to minimize their potential negative impact throughout their lifecycle.

- Strategic Environmental Objectives
  In the Nitto Group, each company sets measurable environmental goals based on a thorough understanding of its operational impact. These objectives are systematically pursued to achieve continuous improvement and long-term sustainability.

This policy reflects our belief that environmental responsibility is not only a moral obligation but also a strategic imperative. We are committed to transparency, accountability, and collaboration with stakeholders to achieve a sustainable future.

ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES (ESRS E1-3)

Throughout fiscal year 2024, several actions were taken to reduce scope 1+2 emissions within the EMEA region.

One of the most impactful actions in our ESG strategy has been the transition to renewable electricity at our two German sites—Nitto Advanced Film Gronau and Nitto Nonwoven Ascania. With this decisive move, we have successfully completed the shift to 100% renewable electricity across the entire EMEA region.
This achievement marks a significant milestone in our commitment to sustainability. Being fully powered by green electricity not only reduces our carbon footprint but also reinforces our dedication to responsible manufacturing and environmental stewardship. It's a testament to the collective efforts of our teams and a proud moment for our organization as we continue to lead by example in the industry.
Nitto Bento Bantçılık implemented measures to reduce Scope 1 emissions, focusing on optimizing the solvent recovery system and enhancing heat recovery efficiency.

Other actions in the region were related to the installation of LED lighting and energy optimization at all manufacturing/converting sites.

Some of the measures described above were already implemented in previous fiscal years; however, their impact on CO_2 emissions is only now becoming apparent. The following investments have been made in the EMEA region as Capex investments in fiscal year 2024 to reduce the company's environmental footprint:

SITE	EXPLANATION OF CHANGE	INVESTMENT	EFFECT
Nitto Belgium	Expansion charging points	kEUR 32	Reduced Scope 3-Category 7
Nitto Denko Czech	Expansion charging points	kEUR 0.8	Reduced Scope 3-Category 7
Nitto Advanced Nonwoven Ascania	Heat recuperation production line	kEUR 49.2	Reduced Scope 1

Dedicated savings, either in CO_2 or energy, could not be calculated at that time. Nitto in the EMEA region is expanding our internal ESG projects based on a dedicated master plan to collect all relevant environmental projects.

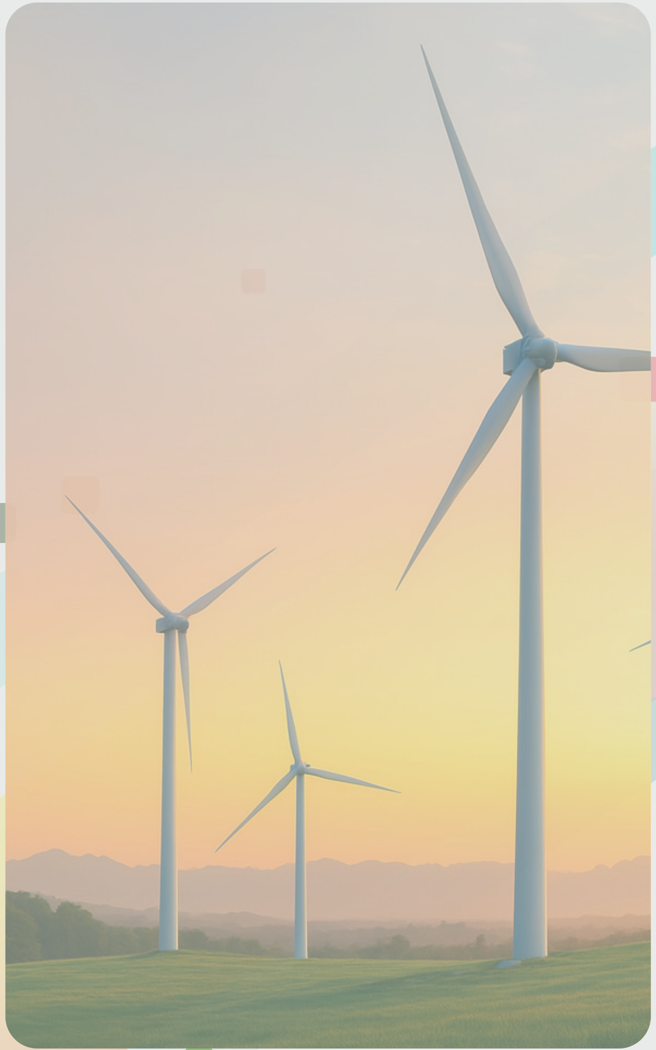
TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION (ESRS E1-4)

With all EMEA sites having dedicated CO_2 emission targets, most EMEA sites met or remained below their fiscal year 2024 targets, with reductions for Nitto Advanced Film Gronau, Nitto Advanced Nonwoven Ascania, Nitto Bento Bantçılık, Nitto Belgium, Nitto Denko Czech, and Nissho Hungary Precision. All sites purchase green electricity. In addition, Nitto Bento Bantçılık, Nitto Belgium, and Nissho Hungary Precision produce green electricity via solar cells on their premises.

EMEA	CLIMATE CHANGE (CO_2)	POLLUTION OF AIR	WATER MANAGEMENT	WASTE MANAGEMENT
Germany G	FY24 target : 13300 t FY24 result : 10783 t Signifficent impact switch to green energy efficeny projects and gas reduction at the exhaust air system	- Carbon monoxide (CO) : Target ≤ 30 mg/m³, Result 5 mg/m³ - Nitrogen dioxide (NO_2) : Target ≤ 60 mg/m³, Result 11 mg/m³ - VOC : (T) =10 t/y (R)=5 t/y - Formaldehyde (H_2CO) : Target ≤ 5 mg/m³, Result 0.1 mg/m³	No specific target set	Total waste volume Target : 8500 t Result : 6575 t
Germany A	FY24 target : 17767 t FY24 result : 15482 t	No specific target set	No specific target set	Total waste volume Target : 950 t Result : 2083 t
Turkey B	FY24 target : 3506 t FY24 result : 3170 t	Total VOC emissions. (T) =308 t/y (R)=270 t/y	Water management actions focussed on rain water recycling, 1.679 t/y in 2024.	Total waste volume Target : 2880 t Result : 2798 t
Belgium	FY24 target : 18500 t FY24 result : 16970 t	Total VOC emissions. (T) =80 t/y (R)= 78 t/y	No specific target set	Total waste volume Target : 3697 t Result : 3540 t
Czech	FY24 target : 200 t FY24 result : 195 t	Once a year checked pollutants volume by authorized measuring.	Only sanitary water (not used for production processes).	Total waste volume Target : 770 t Result : 703 t
Turkey O	FY24 target : 70 t FY24 result : 74 t	Dust amount is confirmed by a dust measurement report.	There is no water usage in the production process, only domestic consumption of water.	Total waste volume Target : 380 t Result : 369 t
Hungary	FY24 target : 75 t FY24 result : 64 t	No specific target set	Monitoring only the used water amount (no indus-trial water being used)	Total waste volume Target : 200 t Result : 232 t

ENERGY CONSUMPTION AND MIX (ESRS E1- 5)

ITEM	CONSUMPTION	CO_2 (TON) (FY24 CO_2 EMISSION FACTOR INTERNATIONAL ENERGY AGENCY)
Purchased electricity (excl. Green electricity)	38570 MWh	20078
Green electricity (purchased)	66621 MWh	0
Green electricity (in-house)	3316 MWh	0
Cgs power generation	2476 MWh	0
Fuel oil	0 kL	0
Lpg	7.72 metric ton	23
City gas	0 m³	0
Lng	0 metric ton	0
Natural gas	9994000 m³	22187
Gasoline	25.1 kL	58
Diesel oil	25.98 kL	67
Kerosene	0 kL	0
Purchased steam	0 metric ton	0
Purchased hot water	3671 GJ	195
Gasohol (e20)	0 kL	0
Green electricity certification	5358 MWh	0
Hydrogen	0 m³	
Biogas	0 m³	



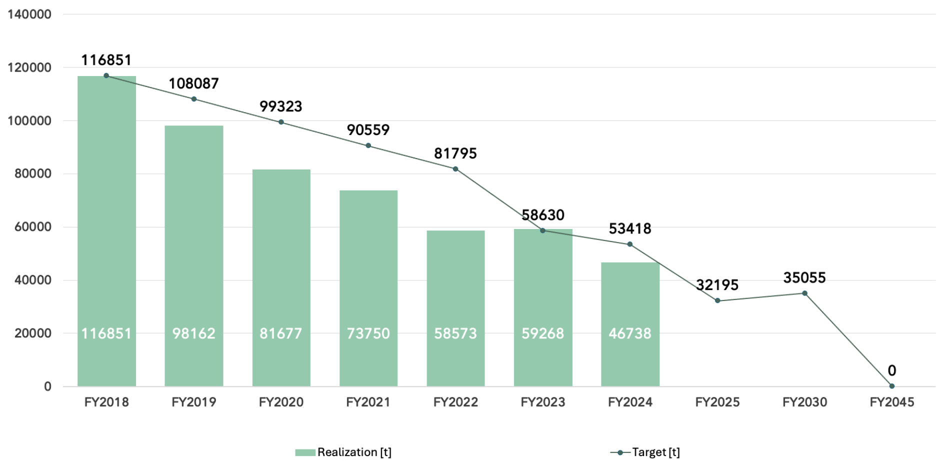
GROSS SCOPES 1, 2, AND 3 AND TOTAL GHG EMISSIONS (ESRS E1-6)

For Scope 1 and 2 emissions, we achieved a 60% reduction in fiscal year 2024 compared with the fiscal year 2018 baseline, in alignment with our established targets. This year-on-year decrease is primarily attributed to the transition of our German sites to green electricity, effectively reducing Scope 2 emissions in that region to zero.

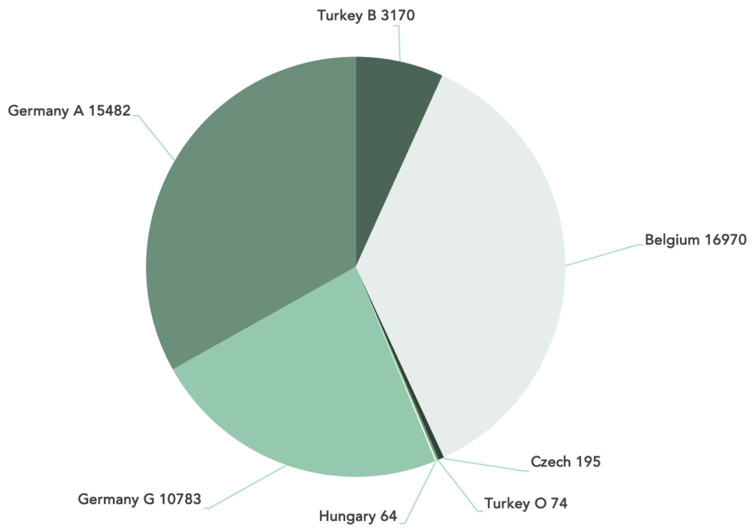
The following graphs and tables show the progress of our transition plan relative to the target.

Here, Nitto is reporting its regional Scope 3 emissions in the EMEA region for the first time. The basis for calculation was the **Sustainability Data Book 2025**, which reports the consolidated Scope 3 emissions for fiscal year 2024.

EMEA CO_2 (SCOPE 1 + 2) EMISSIONS VS TARGET [TON CO_2]



FY2024 CO2 (SCOPE1+2) PER SITE [TON]



In the table, Category 1 is calculated based on the purchased volumes of raw materials multiplied by the EcoInvent ver 3.10 emissions factor of the corresponding raw material (activity-based method). The EcoInvent database is widely used in Life Cycle Assessment (LCA), carbon footprint calculations, and sustainability research to help organizations, researchers, and policymakers make informed decisions based on scientifically robust data (secondary data). All other categories were measured from Nitto Group's Scope 3 emissions using the revenue-based allocation method.

Categories 1 (raw materials) and 12 (end-of-life) are by far the highest. A key action taken in the EMEA region to refine Category 1 was to switch from EcoInvent emission factors (secondary data) to data obtained from our supply chain (primary data). Sustainability is a recurring topic at all meetings with suppliers. We ask suppliers to submit primary data for their raw material-related Product Carbon Footprint (PCF) cradle-to-gate, including the relevant methodology used (e.g., ISO 14067), to increase supplier awareness and improve our PCF database.

The action taken to reduce Category 1 is the switch to more sustainable raw materials, which is also reflected in the future-financial target "Sustainable Materials Procurement Ratio."

Nitto in the EMEA region did not establish a separate Scope 3 emissions target in fiscal year 2024. Instead, the region contributed to the Group-level target aligned with our SBTi commitment by implementing measures to reduce its Scope 3 emissions. The target is to reduce global Scope 3 emissions (categories 1, 3, 4, 5 and 12) by at least 25% by 2030 compared to the baseline year 2022.

SCOPE 3 CATEGORY		KILOTON CO_2 (FISCAL 2024) GLOBAL	KILOTON CO_2 (FISCAL 2024) EMEA		
			BASE	AFS	TOTAL
1	Raw materials	1074	57	235	291
1	Prototyping materials, outsourcing, etc.	335	14	16	30
2	Capital goods	245	10	12	22
3	Fuel- and Energy-Related Activities	68	3	3	6
4	Transportation (upstream)	120	5	6	11
5	Waste Generated in Operations	124	5	6	11
6	Business Travel	4	0	0	0
7	Employee Commuting	11	0	1	1
9	Transportation (downstream)	40	2	2	4
10	Processing of Sold Products	83	3	4	7
11	Use of Sold Products	< 1	0	0	0
12	End-of-life Treatment of Sold Products	581	24	28	52
15	Investments	< 1	0	0	0
TOTAL		2684	122	313	435

The two tables below present a breakdown of CO_2 emissions by Business Unit and scope. Fiscal year 2024 turnover figures for the BASE and AFS Business Units, as reported in their respective annual reports, were used to determine emission intensity. The total turnover in the EMEA region was used to obtain the overall emission intensity.

In the coming years, reporting on emission intensity will allow us to measure the efficiency of our actions and track the progress over time, independent from external factors like production volume or market demand.

EMISSION INTENSITY TON CO_2	AFS	BASE	EMEA
Scope 1	10950	19221	31170
Scope 2 - location based	11541	195	11736
Scope 2 - market based	16373	195	16567
Scope 3	313000	122000	435000

EMISSION INTENSITY TON CO_2/MEUR	AFS	BASE	EMEA
Scope 1	35.9	75.7	51.3
Scope 2 - location based	37.8	0.8	19.9
Scope 2 - market based	53.6	0.8	28.1
Scope 3	1025.2	480.4	739.1

Marko Fleck, Managing Director of Nitto Advanced Nonwoven Ascania:
"As Managing Director of a company dedicated to producing biodegradable nonwoven fabrics for the wipes and hygiene market, I see it as our duty to contribute meaningfully to a more sustainable and responsible future. Our products are designed not only to meet the highest standards of performance and safety but also to minimize environmental impact throughout their lifecycle.

We believe that true corporate responsibility means being a healthy and constructive element within society. This includes protecting our natural resources, fostering a respectful and inclusive workplace, and positively influencing the communities and ecosystems we are part of. Our commitment to Environmental, Social, and Governance (ESG) principles is not a trend—it is a core part of our identity. We strive to be recognized not just as a manufacturer, but as an institution that leads by example: reducing waste, innovating with purpose, and acting with integrity.

By aligning our business practices with ESG values, we aim to create long-term value for our stakeholders while helping to secure a cleaner, healthier planet for future generations."

E2 POLLUTION

For Nitto, pollution is related to the emission of VOCs from the solvents used in our adhesives and printing inks. In addition, the release of substances of concern (SoCs) into the environment poses a regulatory compliance risk for Nitto. Incidents can lead to local pollution, resulting in fines, penalties, and loss of public trust. This could damage the company's brand image and negatively affect its overall performance. Therefore, strict environmental controls are essential to mitigate this risk.

POLICIES RELATED TO AIR POLLUTION (ESRS E2-1)

For pollution-related policies, please refer to ESRS E1-2.

ACTIONS AND RESOURCES RELATED TO AIR POLLUTION (ESRS E2-2)

In the EMEA region, Nitto's main actions to reduce VOC emissions include further encapsulation of open coaters in combination with tailored extraction systems and optimization of solvent recovery systems. The key to improving these processes is effective communication between departments, such as Planning and Utilities. A clear understanding of what products are made on what lines helps optimize solvent flow and enhance overall efficiency.

An effective approach to reduce VOC emissions is to transition to non-solvent adhesive systems. Nitto's R&D is actively exploring solvent-free alternatives, such as emulsions, hotmelts, UV curable adhesives, and other innovative technologies. The central focus of these developments is to ensure that the tapes have environmentally friendly properties that do not compromise Nitto's quality standards.

Capex investments related to pollution for fiscal year 2024 were not stated.

TARGETS RELATED TO AIR POLLUTION (ESRS E2-3)

Air pollution is mainly related to volatile organic compound (VOC) emissions, as shown in ESRS E1-4. The target is mainly linked to production sites because VOC emissions are related to the use of solvents. Local emission laws state that only a certain ppm level of remaining solvents can be exhausted into the air. This level can only be maintained by either burning the solvents via an exothermic (VOC concentration in extracted production air is sufficiently high to burn by itself after ignition) or endothermic process (natural gas is required to burn VOC because the concentration is too low, leading to additional Scope 1 emissions). An exothermic post-combustion process can be achieved by executing several production orders in parallel using solvents.

Nitto Bento Bantçılık, Nitto Belgium, and Nitto Advanced Film Gronau are tracking total VOC emissions caused by the internal usage of solvents, whereas the remaining EMEA sites are not using solvents as a raw material in their production processes. To date, no targets have been set for European converting sites.

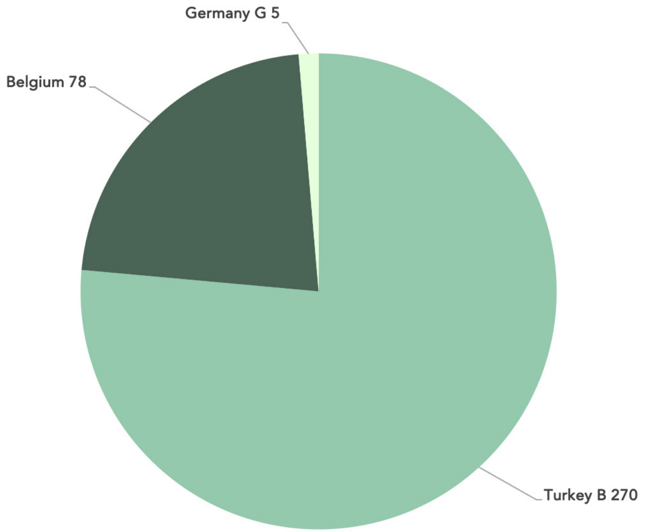
AIR POLLUTION (ESRS E2-4)

Air pollution levels have declined, particularly VOC emissions. This decrease met the target set in 2018, reflecting our continued progress in environmental performance.

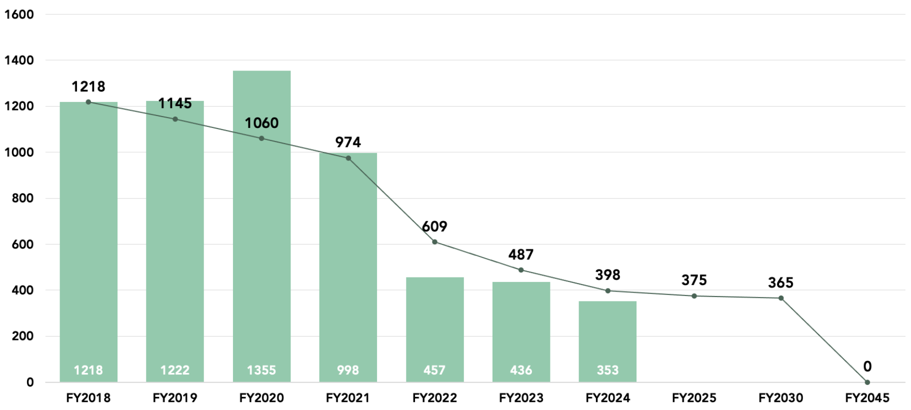
Table: VOC Emissions per business unit (ton)

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
BASE	1218	1222	1332	929	457	433	348
AFS	0	0	23	69	0	4	5

FY2024 VOC PER SITE [TON]



EMEA VOC EMISSIONS VERSUS TARGET [TON]



SUBSTANCES OF CONCERN AND SUBSTANCES OF VERY HIGH CONCERN (ESRS E2-5)

Regarding the use of chemical substances, Nitto in the EMEA region is dedicated to complying not only with relevant laws and regulations but also with customer requirements. Although we strive to limit the use of SoCs and substances of very high concern (SVHC) to the greatest possible extent, some are components of the products that we manufacture.

We work to ensure that our products, including those containing SoCs and SVHCs, pose no risk to humans or the environment. On our production premises, we respect occupational safety and health measures through safety and risk assessments, training our workers, and providing the required general and personal protection equipment. We provide our customers with Safety Data Sheets (SDS) and Article Information Sheets (AIS) for the mixtures and articles we supply, respectively.

Nitto in the EMEA region aims to maintain up-to-date compositional information. We have a strict Material and Supplier Qualification procedure that prescribes the information that should be present before a raw material can be approved for use. Information on (hazardous) chemical substances is an integral part of this process. All information is processed using a dedicated system that facilitates a clear overview of SoCs and SVHCs purchased in the fiscal year 2024.

In this report, we define SoC as having potential carcinogenic, mutagenic, or reproductive toxicity effects. In the EMEA region, Nitto primarily produces articles that are not subject to CLP classification. The mixtures that we produced are not classified as carcinogenic, mutagenic, or reprotoxic.

Table: Purchased SoCs classified according to Regulation 1272/2008 (Classification, Labelling and Packaging Regulation)

MAIN HAZARD CLASS	TOTAL VOLUME PURCHASED IN FISCAL YEAR 2024 (KG)
Carcinogenic (H350)	2100
Mutagenic (H340)	0
Reprotoxic (H360)	1890
TOTAL	3990

Therefore, we sold no carcinogenic, mutagenic, or reprotoxic SoCs. A clear overview of the volume of SVHCs purchased as raw materials is also provided. For this analysis, the actual percentage of SVHC in the raw material was considered when calculating the purchased volume rather than the entire purchased raw material volume.

Table: Purchased SVHCs Classified According to REACH Regulations (EC) 1907/2006

MAIN HAZARD CLASS	TOTAL VOLUME PURCHASED IN FISCAL YEAR 2024 (KG)
Very Persistent very Bioaccumulative (vPvB) (Article 57e)	720
Respiratory-sensitizing properties (Article 57(f) - human health)	70031
Endocrine-disrupting properties (Article 57(f) - environment)	1842
Toxic for reproduction (Article 57c)	1062
Persistent Bioaccumulative Toxic (PBT) (Article 57d); vPvB (Article 57e)	0.4
TOTAL	73655

Some SVHCs we purchased are consumed during production and are not present in the products sold. Others are present in low quantities (< 0.1%). When calculating the products sold that contain SVHCs, we limit them to those manufactured in the EMEA region that contain SVHCs > 0.1% (excluding traded materials from sister companies outside the EMEA). Additionally, the actual percentage of SVHCs in the material sold was used to calculate the volume sold.

Table: Sold SVHCs Classified According to REACH Regulations (EC) 1907/2006

MAIN HAZARD CLASS	TOTAL VOLUME PURCHASED IN FISCAL YEAR 2024 (KG)
vPvB (Article 57e)	247
Toxic for reproduction (Article 57c)	27
Endocrine disrupting properties (Article 57(f) - environment)	154
TOTAL	428

Nitto in the EMEA region has an automatic mailing system. This system automatically sends an SDS or AIS to each customer buying a product containing SVHCs above 0.1% for the first time. This allows customers to take appropriate measures towards occupational safety and health. Nitto EMEA is continuously working with raw material suppliers and customers to jointly develop and qualify SoC- and SVHC-free products.

E3 WATER AND MARINE RESOURCES

Potential shortages of natural water resources that meet the required quality standards can put Nitto's operations at risk. Limited access to sufficient and compliant water can affect production processes and operational efficiency. Therefore, we monitor our water usage closely.

POLICIES RELATED TO WATER (ESRS E3-1)

For policies related to water and marine resources, please refer to ESRS E1-2.

ACTIONS AND RESOURCES RELATED TO WATER (ESRS E3-2)

Nitto is committed to responsible water management across its operations. We use water sparingly and continuously seek opportunities to reduce water consumption whenever possible. By optimizing our processes and implementing water-saving technologies, we aim to minimize our environmental footprint while maintaining high product quality and operational efficiency standards. This approach reflects our dedication to the sustainable development and preservation of vital natural resources.

Although we made no capital investments in water management in fiscal year 2024, future investments in this area cannot be ruled out.

TARGETS RELATED TO WATER (ESRS E3-3)

Water management targets were generally not set (see also ESRS E1-4). The amount of water used is continuously monitored at all sites.

WATER CONSUMPTION (ESRS E3-4)

We provide an overview of water consumption across our operations, categorized by tap water and groundwater usage, water recycling, and water discharge. The data are further broken down by site and Business Unit below to provide detailed insights into our water management practices.

ENVIRONMENTAL PERFORMANCE DATA / WATER

SITE	BUSINESS UNIT	CLEAN WATER INTAKE (M^3)	GROUND WATER INTAKE (M^3)	RECYCLE WATER(INCLUDING RAIN WATER)(M^3)	WATER DISCHARGE <(SEWER) (M^3)
Turkey B	AFS	11148	0	78	1737
Belgium	BASE	34121	0	0	10456
Czech	BASE	2691	0	0	3019
Turkey O	BASE	2328	0	0	2328
Hungary	BASE	721	42	0	763
Germany G	AFS	24590	0	0	24590
Germany A	AFS	102329	0	0	61906
Turkey B	BASE	17796	0	0	4120
TOTAL	12526	195724	42	78	108919

E5 RESOURCE USE AND THE CIRCULAR ECONOMY

Transitioning to a circular economy presents challenges and strategic opportunities for Nitto. In terms of risks, the increasing pressure to eliminate single-use plastics and adopt sustainable materials may have a financial impact related to regulatory bans, shifting consumer expectations, and the limited availability of alternatives with a low environmental footprint. Additionally, the growing demand for recycled and circular materials could increase costs and strain supply chains, particularly when suitable resources are scarce.

However, these dynamics also create significant opportunities. By embracing circular principles, such as resource reuse, recycling, and product redesign, Nitto can reduce its environmental footprint across the value chain. The rising market demand for circular products provides opportunities to innovate, differentiate, and strengthen customer loyalty. Investing in circular solutions not only supports compliance and sustainability goals but also positions Nitto as a forward-thinking leader in a rapidly evolving industry landscape.

Nitto contributes to the circular economy by promoting the use of reusable, recycled, and sustainable resources and optimizing resource efficiency throughout its operations. By minimizing waste generation, particularly from raw materials and plastics, and improving waste collection and recycling practices, Nitto has helped establish new recycling chains. These efforts support the transition towards a zero-waste model and enhance environmental sustainability across the value chain.

New products that support a circular economy are designed in close cooperation with our customers.

POLICIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY (ESRS E5-1)

For policies related to this topic, please refer to ESRS E1-2.

ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY (ESRS E5-2)

Although we have not reported any capital investments related to waste reduction or resource use, this does not mean that no action has been taken.

Following the existing certifications of Nitto Belgium and Nitto Advanced Film Gronau, Nitto Bento Bantçılık achieved International Sustainability and Carbon Certification (ISCC+) certification in fiscal year 2024. The ISCC+ system verifies the voluntary integration of bio-based and bio-circular materials into the supply chain based on a mass balanced approach. With this certification, Nitto Bento Bantçılık can now offer products containing a defined percentage of bio-circular materials, thus helping reduce the carbon footprint of its products while maintaining the quality standards that our customers expect.

TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY (ESRS E5-3)

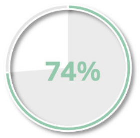
All sites met and reported total waste volumes, generally remaining within or below their targets (see also ESRS E1-4). In this section, we highlight the future-financial target of the "waste plastic recycling ratio," a globally established metric that serves as a key indicator of progress towards future circular economy initiatives.
Some sites have lower waste reduction targets due to the nature and variety of materials they handle. Nitto Belgium, for instance, manufactures single-coated tapes, double-coated tapes, and EPDM foams-each requiring distinct processing methods. Despite these complexities, Nitto remains committed to continuously improving its waste management practices in close collaboration with its waste handling partners.

	WASTE (TON)		PLASTIC WASTE (TON)		PLASTIC REC. RATIO	
	Target	Result	Total	Recycled	Target	Result
Turkey B	2880	2798	2095	1884	85%	90%
Belgium	3697	3540	2124	761	35%	36%
Czech	770	703	612	18	1.5%	3%
Turkey O	380	369	1	1	100%	100%
Hungary	200	232	105	4	5%	3%
Germany G	8500	6575	5975	5336	90%	89%
Germany A	950	2083	185	185	95%	100%
EMEA	**17377**	**16300**	**11099**	**8188**		**74%**

BASE Plastic Recycling rate

AFS Plastic Recycling rate

EMEA Plastic Recycling rate

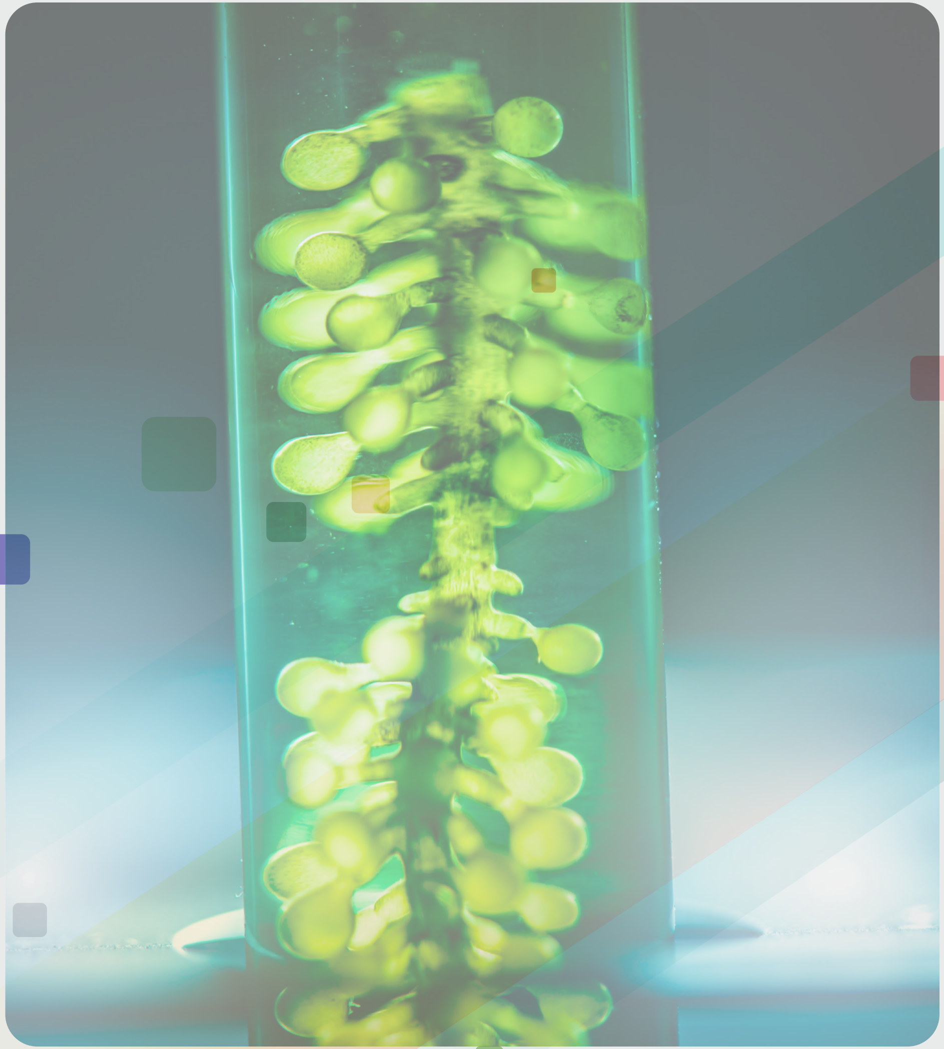


RESOURCE INFLOWS (ESRS E5-4)

One future-financial target is the Sustainable Materials Procurement Ratio. This KPI reflects the proportion of recycled and bio-based raw materials purchased, measured against the total weight of the procured raw materials. We track this KPI monthly to monitor progress.

The target was set at 23.9% for the BASE Business Unit and 16.5% for the AFS Business Unit. From an EMEA-wide perspective, this target has been successfully exceeded, demonstrating strong regional performance in terms of sustainable sourcing.

	BASE	AFS
Total weight purchased (ton)	34338	90607
Sustainable weight (ton)	8305	24321
Sustainable Materials Procurement Ratio (%)	24.2	26.8
Target 2024 (%)	23.9	16.5



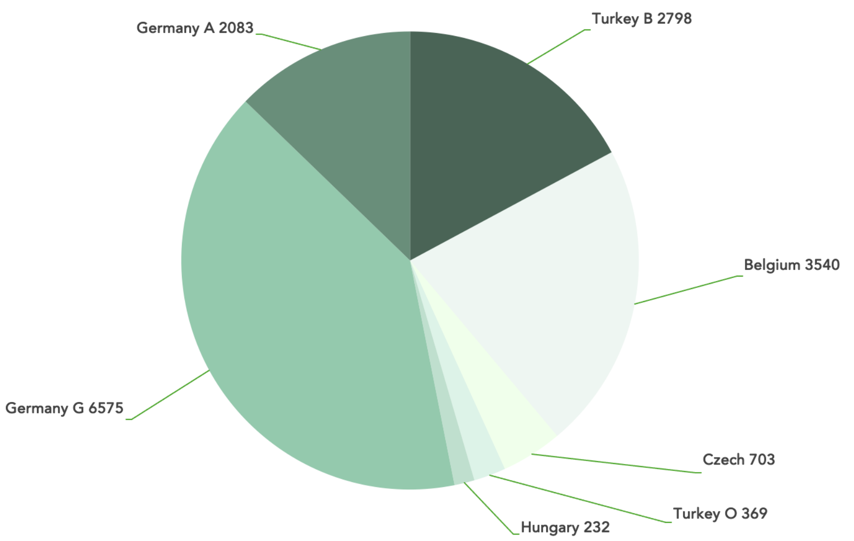
RESOURCE OUTFLOWS (ESRS E5-5)

Nitto monitors waste volumes across its EMEA sites and categorizes them by waste type. However, this report does not include a detailed product-level calculation, as required by ESRS E5-5, which pertains to aspects such as product durability, recycled product content, and packaging.

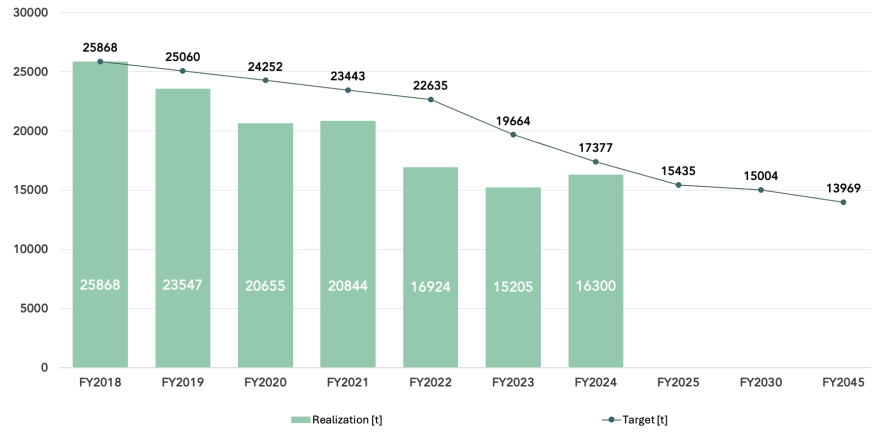
Waste per Business Unit [ton]

	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
BASE	7422	7225	6176	6039	5373	5599	5544
AFS	18426	16322	14479	14805	11551	9607	10756

FY2024 WASTE PER SITE [T]



EMEA WASTE REALIZATION VS TARGET [TON]



Social

EMPOWERING PEOPLE, ENRICHING LIVES

EMPOWERING PEOPLE, ENRICHING LIVES
Social

S1 OWN WORKERS

Within our organization, we consider the following types of employees:
- Blue collar (employee) – hourly paid
- White collar (employee) – salaried
- Manager (employee or self-employed) – White collar as of specific grades, salaried or daily/monthly rate (self-employed)
- Director (employee or self-employed) – Managing Directors of manufacturing/converting sites as of specific grades and higher OR Sales and Corporate Services Directors as of specific grades.
- Subcontractor (self-employed) – Managers or Directors who are self-employed (mainly in Belgium) and have a long-term contract with Nitto to fill a budgeted internal position
- Agency/Temporary workers (self-employed, contract worker, interim worker, or agency worker) – all types of Contingent Workers who perform roles that are not considered permanent or for which no internal position is planned/budgeted.

Nitto's HR approach is based on clear governance and articulated around three key pillars: Diversity, Equity, and Inclusion (DE&I), Engagement, and Talent Management.

The following sections provide a detailed explanation of Nitto's Human Rights approach, which is a critical dimension of Nitto's HR and business activities. This includes labor rights and the internal policies and mechanisms that describe Nitto's engagement, as well as how we ensure that these rights are respected inside and outside the company. Nitto's HR actions taken to contribute to a more sustainable, diverse, and inclusive environment are also detailed, including Nitto's company's car policy, bonus program, and Performance and Goal Management system. Finally, detailed information on our workforce distribution is provided.

IMPACTS, RISKS, AND OPPORTUNITIES FOR OUR WORKFORCE (SBM-3)

Non-compliance with safety regulations poses significant risks, including workplace accidents, employee resignations, reputational damage, regulatory penalties, and potential disruptions in operations, which may limit our ability to meet customer demands. In addition, the increasing difficulty in attracting and retaining skilled professionals, often referred to as the "war for talent," threatens business continuity and growth, as the right expertise becomes harder to secure. Additionally, shifting demographics, such as population growth, aging populations, generational changes, urbanization, social mobility, and migration, are reshaping societal and workforce dynamics, thereby requiring organizations to adapt their strategies to remain resilient and relevant. In response, Nitto EMEA's current and future HR strategies focus on proactively addressing these risks to ensure resilience and long-term success. Nitto acknowledges that diversity drives stronger and more resilient organizations.
Empowering women through fair representation and equal career opportunities and pay fosters equity. Inclusive hiring and a culture of belonging enhance collaboration and innovation. Fair wages and income protection during life events, such as illness or parenthood, ensure stability and trust. Together, these practices create a workplace in which everyone can thrive. Additionally, Nitto's commitment to mental health through supportive policies, awareness initiatives, and a safe work environment helps associates feel valued and cared for, thereby enhancing their overall well-being and productivity.

POLICIES RELATED TO OUR WORKFORCE (ESRS S1-1)

Nitto has a comprehensive and internationally aligned policy on Human Rights and Labor Rights that applies to its entire workforce.

HUMAN RIGHTS POLICY

Nitto is committed to respecting Human Rights across all regions of operation, adhering to international principles, and applying the policy to all employees.

LABOR RIGHTS AND WORKFORCE PROTECTIONS:

Nitto emphasizes the following key labor rights:
- Prohibition of Exploitative Labor Practices: no child labor, forced labor, or labor resulting from human trafficking; active efforts to eliminate these practices from our supply chain
- Fair Working Conditions: compliance with labor laws and labor-management agreements; fair wages and working hours aligned with international standards and equal pay for equal work, without gender-based discrimination
- Safe and Healthy Work Environments: measures to prevent workplace accidents and maintain hygiene; protection for pregnant and nursing employees and mental and physical health support for employees
- Diversity and Inclusion: Promotion of diversity in gender, nationality, age, and employment type; creation of inclusive workplaces that value individual differences

The Compliance department oversees policy execution, and the Human Rights Labor and Ethics committees (HRLE) manage human rights risks at the EMEA and local levels. Finally, training programs ensure that employees understand and implement the policy.

The company conducts once every two years a Sustainable Employee Engagement and Development Score (SEEDS), a tool to measure how emotionally and professionally employees are sustainably committed to their work and organization. The targets are set by Management to help leaders understand the overall employee experience, identify areas for improvement, and make action plans to boost employee morale, productivity, motivation, and retention. Nitto in the EMEA region reviews site action plans quarterly to assess progress and share best practices within the region. The survey typically covers the following areas:

- Job satisfaction: how happy employees are with their roles
- Leadership and management: how employees perceive their leaders
- Work environment and DE&I: whether the workplace feels diverse, inclusive, equitable, safe, and supportive
- Career development: opportunities for growth and learning
- Recognition and rewards: whether employees feel valued

The company also placed strong emphasis on our Talent Management strategy to further develop our people and cultivate future leaders in an inclusive work environment. This ensures we have the right skills, capabilities, and a robust leadership pipeline to meet both current and future business needs. Having the right talent in the right roles is fundamental to driving organizational success.
We further developed a structured talent review process at different levels within the organization. Talent review meetings were held at site (local), functional (Operations, Sales, R&D, Corporate Services) and consolidated EMEA regional level with a strong involvement of our Executive Committee members. This talent review process aims primarily to identify our high potentials and strong performers as well as to review our succession plans and individual development plans (IDPs).

We also completed our fourth class of our Regional Business Academy (RBA), program started in 2021 in cooperation with the Vlerick Business School. The RBA program prepares our future leaders to our company challenges with a balanced and diverse participation of men and women.

This fiscal year 2024, the RBA program focused on the master class theme "sustainable growth with a customer-centric approach". All 14 RBA participants graduated successfully after the presentation of their respective projects using effectively the academic knowledge acquired during the program.

Finally, we also implemented in fiscal year 2024 a new digital learning management system, the Nitto Global Learning Lab (NGL). NGL enabled us to deploy effectively new training modules related to DE&I or Compliance for instance. As an example, we trained all our HR colleagues on our DE&I recruitment guide to further attract diverse and talented candidates to strengthen our organization. This training material is available in NGL.

CAR POLICY

We launched our vehicle policy in 2021 with the goal of accelerating the green transformation of our company fleet. At the time, only internal combustion engine (ICE) vehicles—specifically diesel—were permitted. Starting in 2021, we began introducing and actively promoting electrified vehicles (PHEVs and EVs) in Belgium and Sweden, with other countries gradually following suit.
From 2024 onward, only fully electric vehicles (EVs) are allowed in Belgium, and we aim to extend this requirement to other countries in the near future.

Currently, nearly 75% of the Belgian fleet consists of full EVs, and 93% of the fleet is electrified. Both the Netherlands and Sweden have achieved full electrification of their fleets, while other countries have made significant progress and are on track to transition to full EVs as well.

BONUS POLICY (ESRS2 GOV-3)

We have a bonus policy in place applicable to all managerial levels aiming to incentivize participants to perform at their best and support the achievement of business goals aligned with the company strategy. The bonus plan is tied to individual and company-wide goals. A remarkable change has been implemented in fiscal year 2024.

***Frédéric Rutsaert EMEA Director HR**:*
"We introduced for the first time a future financial target in our bonus plan directly linked to the achievement of our CO_2 emissions reduction goals. This strategic move significantly raised awareness across the organization and contributed to achieve 60% reduction in CO_2 emissions compared to our 2028 baseline, fully aligned with our commitment to reach carbon neutrality by 2045. It marks a major milestone in demonstrating the dedication of our leadership to positioning the company as an essential top ESG company".

COMMUNICATION: HOW WELL INFORMATION FLOWS WITHIN THE ORGANIZATION

Nitto conducts ongoing due diligence to identify, prevent, and mitigate any negative impact on human rights, including assessing risks across operations and supply chains and making corrections if issues are found (see ESRS G1-1). Nitto also has grievance mechanisms in place (see ESRS G1-1) to receive and address complaints and concerns related to human rights. If a business activity is found to have a clear negative impact on human rights, Nitto commits to engaging in dialogue with the affected parties and implementing corrective actions to

remedy the situation. Finally, Nitto provides employee training to ensure that the company's human rights policy is understood and implemented effectively.

HOW DO POLICIES ALIGN WITH INTERNATIONALLY RECOGNIZED INSTRUMENTS?

Nitto has aligned its policies with internationally recognized human rights instruments through its Basic Policy on Human Rights, explicitly endorses international norms, and respects the UN Guiding Principles on Business and Human Rights. Nitto also explicitly addresses the issue of human trafficking and eliminates forced or slave labor. Nitto has clear and comprehensive policies to eliminate discrimination and harassment, while actively promoting equal opportunities, diversity, and inclusion across the EMEA region. Nitto's Basic Policy on Human Rights explicitly prohibits discrimination based on race, ethnicity, color, religious beliefs, gender, sexual orientation, nationality, mental or physical disability, age, health condition, or marital history. The company also works to eliminate harassment and unfair treatment in the workplace.

PROCESSES FOR ENGAGING WITH WORKERS (ESRS S1-2)

No Global Framework Agreement (GFA) has been signed between Nitto and international or national workers' representatives in the EMEA region. However, Nitto has internal mechanisms and policies that reflect a commitment to human rights, such as the whistleblowing system and the Basic Policy on Human Rights.

SUSTAINABLE EMPLOYEE ENGAGEMENT AND DEVELOPMENT SCORE

Nitto in the EMEA region engages with its employees through a global employee survey called the Sustainable Employee Engagement and Development Score (SEEDS)".

Nitto conducts this global employee engagement survey once every two years. The purpose of this survey is to measure the motivation and engagement levels of our employees to create a strong workplace and increase job satisfaction.

The final score of the survey is based on a combination of the following three pillars:

- Engaged: Do employees believe in the company's objectives and are committed to achieving them?
- Enabled: Do employees have a productive environment with all the necessary resources?
- Energized: Do employees have a good work–life balance?

In the most recent global employee survey, the Nitto EMEA sites had an overall score of 79 (in 2023). A score of 70–80 is considered "healthy" and a score of 80 or above) is considered "excellent." Our goal is to increase engagement from 79 (in 2023) to 82 (in 2025), thereby moving from a healthy company to an excellent one.

The EMEA Engagement Promotion Team was created to review the feedback from this survey and identify points for improvement and action plans. In the EMEA region, each Nitto site has a Promotion Leader to localize actions and increase employee satisfaction and engagement depending on specific needs. These action plans are then implemented, and the progress is reported to our executive and Human Rights, Labor, and Ethics (HRLE) committees.

REMEDIATE NEGATIVE IMPACTS AND TAKE ACTION TO MITIGATE RISKS (ESRS S1-3 AND S1-4)

Nitto takes a structured, proactive approach to mitigating human rights risks and avoiding any negative impact on its workforce while also tracking its effectiveness in practice. This mitigation approach centers around the human rights diligence system (including company self-assessments and compliance surveys), whereas the effectiveness tracking system is based on a multilayered governance structure with dedicated HRLE Committees, training and awareness actions, and transparent reporting.

Nitto's Supply Chain Management policy emphasizes fair and transparent procurement, respect for labor conditions, and human rights throughout the supply chain. This includes a Partner Hotline for reporting compliance violations. Nitto is committed to ensuring that its products and services do not contribute to human rights violations through customer use. If a business activity is found to contribute to harm via customers or related parties, Nitto initiates corrective dialogue and remediation.

Nitto enforces strict controls over insider information and personal data through its Corporate Governance Guidelines. Confidential and personal information obtained through procurement and other business activities is managed securely and protected from misuse.

Nitto takes a structured approach to remediation when its operations have a negative impact on the human rights of its own employees. This includes mechanisms for raising concerns, addressing grievances, and tracking effectiveness in line with the UN Guiding Principles on Business and Human Rights (see ESRS G1-1).

Related to our previously mentioned car and bonus policies, we define our actions in the region as described below.

CAR POLICY

To mitigate the impact of switching to a greener company carpool, we have taken the following actions:

- Considering that, in some countries, driving a PHEV/EV may have either a positive or negative impact on the cost of a company car, we switched our approach by moving from leasing budgets to Total Cost of Ownership (TCO) budgets. We also increased our TCO budgets based on market information.
- When choosing a company car, employees' choices are limited to a selected number of brands and models. When introducing the option to choose a full EV, we removed restrictions on certain brands. In general, this means that employees face no limitation in brands when opting for a full EV.

BONUS POLICY

- CO_2 emission reduction represents 50% of the company's part of the bonus.
- To mitigate any possible negative impact of CO_2 emission reduction, we have set the minimum to obtain a partial bonus for the CO_2 emission goal at 90%.

TARGETS RELATED TO MANAGING NEGATIVE MATERIAL IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES (ESRS S1-5)

Within the EMEA region, Nitto has a specific process for goal-setting for all employees as of Hay Grade 16 and higher, whether considered Directors, Managers, or white collar employees, AND white collar employees at Hay Grades 14 and 15 belong to the job family "Account Manager."

The employee will first draft his/her personal goals which will then be discussed, reviewed and if needed adjusted by the manager followed by a final validation by the employee. After this first goal setting process, the employee will use the full year to achieve his/her goals which will be assessed by the Manager after a self-assessment performed by the employee at year-end. The employee will receive feedback of his/her performance during a one-on-one session following a calibration process and final approval by the calibration committee. Results of the process are registered in the HR system.

In addition to the goal setting process is the EMEA performance process for all employees as of specific grades and higher, whether considered Directors, Managers, or white collar employees, AND white collar employees specific grades belonging to the job family "Account Manager."

The Performance process flow starts at year-end with the self-assessment by the employee based upon the 8 Nitto competencies which are all described in terms of expected behaviours. The Manager will at his/her turn assess the employee based upon the same competencies. A second opinion will also be provided in principle by the N+2 of the employee. A calibration committee will validate the proposed ratings followed by a feedback session between the employee and his/her manager during a one-on-one session. Final ratings are also registered in the HR system.

The goal setting and performance processes both include a "One-on-One" step. During this step, the manager and employee are required to have a formal feedback session to discuss the outcome of each process and the actions resulting from this outcome in the future.

S1-6 CHARACTERISTICS OF EMPLOYEE UNDERTAKINGS (ESRS S1-6)

DIVERSITY IN ACTION

Nitto positions DE&I as a strategic priority. A dedicated DE&I EMEA promotion team has been created to monitor DE&I action plans and progress in the EMEA region. Each site has a DE&I Promoter. Nitto promotes an inclusive work environment in which individual differences and diverse work styles are respected. An important DE&I training program has been deployed for white collar employees and will be extended to blue collar employees in fiscal year 2025.

One action closely related to DE&I is the sponsorship of KRC Genk Ladies, a football team in the city of Genk, Belgium. This collaboration allows us to contribute to social activities and involve our employees in the atmosphere and team spirit. The decision to sponsor KRC Genk Ladies stems from our DE&I and engagement policies. Our aim is to create a workplace in which everyone feels physically and psychologically safe, and challenges can be faced with confidence.

Additionally, our connections with the communities of Genk and the province Limburg are crucial. Through this collaboration, we can strengthen our bonds with the local community and contribute to talent development in the region. This collaboration is not only related to KRC Genk Ladies but also to the KRC Genk Foundation, which is specifically committed to community action and initiatives.

The official sponsorship of Nitto Belgium and Nitto EMEA, both located in Genk, symbolizes our employees and the community that we believe in a future in which diversity, inclusion, and engagement are central.

CHARACTERISTICS OF EMPLOYEE UNDERTAKINGS - NUMBER OF EMPLOYEES BY GENDER

The table below details the different Employee Types according to gender at the end of fiscal year 2024. The characteristics of each Employee Type are detailed in S1.SBM-3.

EMPLOYEE TYPE	FEMALE	MALE	OTHER	UNKNOWN	GRAND TOTAL
Agency/Temp	26	154	1	19	200
Regular	432	1670			2102
Sub-contractor	2	12			14
Temporary	10	62			72
TOTAL	470	1898	1	19	2388

NUMBER OF EMPLOYEES

As of April 1, 2025 (consolidated number for fiscal year 2024), the number of employees was 2388. The detailed numbers per Employee Type and gender can be found in S1-6.

AVERAGE NUMBER OF EMPLOYEES

The average number of employees is calculated as the headcount per first day of each month of the reporting year divided by the number of months in the reporting year.

Owing to a difference in FTE calculations between HR and Finance, the information is reported based on headcount, which uses a uniform definition.

This results in an average headcount as detailed in the table below.

EMPLOYEE TYPE	APR 24	MAY 24	JUN 24	JUL 24	AUG 24	SEP 24	OCT 24	NOV 24	DEC 24	JAN 25	FEB 25	MAR 25	YEAR AVG
Agency/Temporary	193	193	191	192	187	185	188	191	180	192	197	200	191
Regular	2213	2215	2215	2205	2196	2178	2170	2152	2143	2133	2122	2102	2170
Subcontractor	17	17	17	17	17	17	17	15	15	15	15	14	16
Temporary	63	63	59	65	63	65	67	70	70	69	70	72	66
TOTAL	2486	2488	2482	2479	2463	2445	2442	2428	2408	2409	2404	2388	2444

NUMBER PER EMPLOYEE TYPE PER COUNTRY

The table below details the different Employee Types per country at the end of fiscal year 2024. The characteristics of each Employee Type are detailed at the start of ESRS S1.

EMPLOYEE TYPE	GERMANY	BELGIUM	TURKEY	HUNGARY	CZECH REPUBLIC	SALES OFFICES	TOTAL
Female	131	97	71	86	65	20	450
Agency/Temporary	9	12	3	1			25
Regular	112	83	68	85	65	20	433
Subcontractor		2					2
Temporary	10						10
Male	820	515	427	41	60	35	1863
Agency/Temporary	67	69	12	3	2		153
Regular	695	432	414	37	58	35	1671
Subcontractor		12					12
Temporary	58	2	1	1			62
Other		1					1
Agency/Temporary		1					1
Unknown		18				1	19
Agency/Temporary		18					18
Regular						1	1
TOTAL	951	631	498	127	125	56	2388

AVERAGE NUMBER OF EMPLOYEES PER COUNTRY

The table below details the average number of employees in countries with 50 or more employees.

MONTH	GERMANY	BELGIUM	TURKEY	HUNGARY	CZECH REPUBLIC
Apr/24	946	640	538	168	126
May/24	953	639	540	164	126
Jun/24	952	633	540	166	128
Jul/24	952	631	529	168	128
Aug/24	952	629	519	167	127
Sep/24	954	628	509	151	128
Oct/24	947	628	509	140	131
Nov/24	951	627	499	139	130
Dec/24	950	630	496	136	129
Jan/25	968	630	503	132	129
Feb/25	966	632	501	130	129
Mar/25	961	631	498	127	125
AVERAGE IN FISCAL YEAR 2024	**954**	**632**	**515**	**149**	**128**

NUMBER OF EMPLOYEES (HEADCOUNT OR FULL-TIME EQUIVALENT) BY CONTRACT TYPE AND GENDER

EMPLOYEE TYPE	MALE	FEMALE	UNKNOWN	OTHER	TOTAL
Regular	1670	432			2102
Temporary	62	10			72
Subcontractor	12	2			14
Agency/Temporary	154	26	19	1	200
TOTAL	**1898**	**470**	**19**	**1**	**2388**

AVERAGE NUMBER OF EMPLOYEES (HEADCOUNT OR FULL-TIME EQUIVALENT) BY CONTRACT TYPE AND GENDER

MONTH	FEMALE				MALE				OTHER	UNKNOWN
	REGULAR	TEMPORARY	SUB CONTRACTOR	AGENCY TEMPORARY	REGULAR	TEMPORARY	SUB CONTRACTOR	AGENCY TEMPORARY	AGENCY TEMPORARY	AGENCY TEMPORARY
Apr/24	484	5	3	30	1728	58	14	143	1	19
May/24	484	5	3	31	1730	58	14	142	1	19
Jun/24	485	5	3	31	1730	54	14	140	1	19
Jul/24	485	8	3	31	1720	57	14	141	1	19
Aug/24	478	9	3	31	1718	54	14	136	1	19
Sep/24	465	9	3	31	1713	56	14	134	1	19
Oct/24	456	9	3	30	1714	58	14	138	1	19
Nov/24	450	9	3	29	1702	61	12	142	1	19
Dec/24	448	9	3	25	1695	61	12	135	1	19
Jan/25	449	9	3	27	1684	60	12	145	1	19
Feb/25	444	9	3	27	1678	61	12	150	1	19
Mar/25	432	10	2	26	1670	62	12	154	1	19
AVERAGE FY2024	**427**	**7**	**3**	**27**	**568**	**53**	**12**	**129**	**1**	**17**

NUMBER OF EMPLOYEES WHO HAVE LEFT THE COMPANY

The table below shows the number of employees who left the undertaking, divided by company and employee type.

COMPANY	EMPLOYEE	NON-EMPLOYEE	TOTAL
Nitto Bento Bantçilik	61	1	62
Nissho Hungary Precision	59		59
Nitto Advanced Film Gronau	29	29	58
Nitto Otomotiv	40		40
Nitto Belgium	25	13	38
Nitto EMEA	1	23	24
Nitto Advanced Nonwoven Ascania	17		17
Nitto Denko Czech	12		12
Nitto Deutschland	8		8
Nitto Rus	7		7
Nitto Scandinavia	2		2
Nitto Switzerland		2	2
Nitto France	1		1
Nitto Denko		1	1
Nitto Ibérica, Sucursal en España	1		1
TOTAL	263	69	332

EMPLOYEE TURNOVER RATES

A total turnover of 332 employees was recorded for a headcount of 2388, resulting in a turnover rate of 13%. When differentiating between contract types, for a total of 2188 regular, temporary, and subcontractor employees, the turnover rate is 12%, and for contingent workers categorized as contract type "Agency/ Temp," the turnover rate is 34%.

DESCRIPTION OF METHODOLOGIES AND ASSUMPTIONS USED TO COMPILE DATA (EMPLOYEES)

The methodology and assumptions used to compile the data are described below.
For the methodology, all quantitative data are extracted from One Nitto HRIS, Nitto's global HRIS platform, based on SuccessFactors technology. To compare the recorded data from One Nitto HRIS using a common definition and basis, no quantitative data from company- or country-specific software, databases, or other records systems are used.

The relevant quantitative data are extracted from One Nitto HRIS by the EMEA HR department to maintain data integrity. A single report is used per datapoint or a combination of datapoints when extracting relevant quantitative data for different local companies. This ensures consistency in extracting, transforming, and loading relevant data. Additional assurance of the consistency of the timing, definition, and methodology used is also maintained through this centralized approach.
The EMEA HR department enriches the relevant quantitative master data to maintain data integrity and ensure consistency and the methodology used.

The local company HR departments are assumed to maintain the accuracy of the recorded data in One Nitto HRIS to the best of their abilities.

EMPLOYEES NUMBERS ARE REPORTED IN THE HEADCOUNT OR FULL-TIME EQUIVALENT

The methodologies and assumptions used to compile the data, as described in S1-6, are reported in the headcount.

EMPLOYEES NUMBERS ARE REPORTED AT THE END OF THE REPORTING PERIOD/ AVERAGE/OTHER METHODOLOGY

The employee numbers are reported at the end of the reporting period, which is also the end of Nitto's fiscal year (March 31 of the reported year + 1), and are extracted from One Nitto HRIS on April 1 of the reported year +1 to include all relevant changes. This is the case for all datapoints that require annualized numbers.
The employee numbers are reported as an average of the reporting period of Nitto's fiscal year, starting on April 1 of the reported year and ending on March 31 of the reported year + 1. The data are extracted from One Nitto HRIS on the first day of each month +1 of the reported year to include all relevant changes in the reported months. The basis for calculating the average is the aggregated result of all months of the reported year divided by 12.

DISCLOSURE OF CONTEXTUAL INFORMATION NECESSARY TO UNDERSTAND DATA (EMPLOYEES)

For all datapoints to be reported by gender, one needs to consider that, although gender is considered mandatory information, Nitto provides a broad array of options in recording employee gender, thus allowing all employees to disclose their gender in a way that makes them feel comfortable and safe.

Nitto offers the following options for recording gender:
- Female
- Male
- Unknown
- Undeclared
- Other

CHARACTERISTICS OF NON-EMPLOYEE WORKERS IN THE COMPANY WORKFORCE (ESRS S1-7)

NUMBER OF NON-EMPLOYEES IN THE COMPANY WORKFORCE

As noted above, 14 subcontractors and 200 agency/temporary workers are part of the company's workforce.

EMPLOYEE TYPE	MALE	FEMALE	UNKNOWN	OTHER	TOTAL
Regular	1670	432			2102
Temporary	62	10			72
Subcontractor	12	2			14
Agency/Temporary	154	26	19	1	200
TOTAL	1898	470	19	1	2388

NUMBER OF NON-EMPLOYEES IN THE COMPANY WORKFORCE: CONTINGENT WORKERS PRIMARILY ENGAGED IN EMPLOYMENT ACTIVITIES

As noted in the previous table, 200 agency/temporary or contingent workers are part of the company's workforce.

DESCRIPTION OF METHODOLOGIES AND ASSUMPTIONS USED TO COMPILE DATA (NON-EMPLOYEES)

As noted above, the methodologies used to compile the data of non-employees are directly related to the use of One Nitto HRIS.
Likewise, the assumptions made are related to the use of One Nitto HRIS, being that the local HR departments and all related employees responsible for recording employee data are informed of these definitions, and documentation on them is made available to the local HR departments expected to record the relevant (non)-employee data to the best of their abilities.

We consider the following types of non-employees:

- Subcontractor (self-employed) – Managers or Directors who are self-employed (mainly in Belgium) and have a long-term contract with Nitto to fill a budgeted internal position
- Agency/Temporary worker (self-employed, contract worker, interim worker, agency worker) – all types of contingent workers who perform work that is not considered permanent or for which no internal position is planned/budgeted.

NON-EMPLOYEES NUMBERS ARE REPORTED AS THE HEADCOUNT/FULL TIME EQUIVALENT

As noted above, 14 subcontractors and 200 agency/temporary or contingent workers are part of the company's workforce. These numbers are reported as headcounts and not as FTE for the reasons described in S1-6.

NON-EMPLOYEES NUMBERS ARE REPORTED AT THE END OF REPORTING PERIOD/ AVERAGE/OTHER METHODOLOGY

The numbers for non-employees are detailed at the end of the reporting period and averaged, as described in S1-6. The methodology for the reporting-on-reporting period, or as an average, is described in S1-6.

DISCLOSURE OF CONTEXTUAL INFORMATION NECESSARY TO UNDERSTAND THE DATA (NON-EMPLOYEE WORKERS)

The contextual information necessary to understand the relevant data for non-employee workers is identical to that for employees, and is disclosed in S1-6.

DESCRIPTION OF THE BASIS OF PREPARATION OF THE ESTIMATED NUMBER OF NON-EMPLOYEES

To date, no estimates have been made for the reported data. All data and contextual information are extracted from and directly related to our record system, One Nitto HRIS.

Whether as quantitative data or as data definitions embedded in the configuration of One Nitto HRIS, all data disclosed in this report are recorded in a single record system and extracted from this system in two reports executed on the same date, over the same reporting period, and with the same employee populations as the scope.

COLLECTIVE BARGAINING COVERAGE (ESRS S1-8)

Nitto has not established a European Works Council. However, local Works Councils operate wherever required.

DIVERSITY INDICATORS (ESRS S1-9)

GENDER DISTRIBUTION IN PERCENTAGE OF EMPLOYEES AT THE TOP MANAGEMENT LEVEL

For future financial targets we take the whole managerial-level population in scope, resulting in 83,76% male and 16,24% female employees on a total of 234 employees at managerial level.

LEVEL	FEMALE	MALE	TOTAL
Directors	1%	7%	8%
Management	15%	77%	92%
Total	**16%**	**84%**	**100%**

GENDER DISTRIBUTION IN NUMBER OF EMPLOYEES (HEADCOUNT) AT THE TOP MANAGEMENT LEVEL

For future financial targets we take the whole managerial-level population in scope, resulting in 196 male and 38 female employees on a total of 234 employees at top management level.

LEVEL	FEMALE	MALE	TOTAL
Directors	2	17	19
Management	36	179	215
Total	**38**	**196**	**234**

DISTRIBUTION OF EMPLOYEES (HEADCOUNT) BY AGE CATEGORY

The table below details the age group distribution by country. Of the total employees, 235 are under 30 years of age, 1368 are aged 30–50 years, and 790 are over 50 years of age.

COUNTRY	UNDER 30	30 - 50	OVER 50	TOTAL
Germany	101	439	411	951
Belgium	29	334	268	631
Turkey	74	398	26	498
Hungary	20	74	33	127
Czech Republic	11	87	27	125
France		8	4	12
Spain		6	5	11
Italy		5	5	10
United Kingdom		2	5	7
Poland		6		6
Sweden		3	2	5
Netherlands			4	4
Russia		1		1
Total	**235**	**1363**	**790**	**2388**

DISCLOSURE OF THE DEFINITION OF TOP MANAGEMENT USED

As reported in S1.SBM-3, “top management” can be defined as those belonging to the employee type “Director,” who can be either an employee or self-employed. In general, these are Managing Directors of manufacturing/converting sites and Sales or Corporate Services Directors.

TRAINING AND SKILLS DEVELOPMENT INDICATORS (ESRS S1-13)

TRAINING AND SKILL DEVELOPMENT INDICATORS BY GENDER

Nitto has two separate processes for reviewing performance and career development:
- Performance
- Annual Goals

The Performance process is focused on eight Nitto competencies and reviews employee behavior in terms of these competencies. This process is mandatory for all employees at the managerial level (as of a specific grades) and employees working as Account Manager in Sales (for specific grades). Local companies can decide to voluntary add other employees (e.g. all white-collar employees) to this process.

The 'Annual Goals' process is focused on target setting and realization and is reviewing employee performance in realizing the set targets. This process is mandatory for all employees on managerial level (as of a specific grades) and employees working as Account Manager in Sales (for specific grades). Local companies can decide to voluntary include other employees (e.g. all white-collar employees) in this process.

Both processes are mandatory for all employees on managerial level (as of a specific grade) and employees working as Account Manager in Sales (for specific grades). Employees not being included in this mandatory people scope can be included based on a local decision, in the Performance process, Annual Goals process, or both.

The table below provides an overview of the number of employees included in both processes divided by gender.

Note that the number of employees included in both processes is doubled in the table below.

LEGAL ENTITY	ANNUAL GOALS 2024		PERFORMANCE REVIEW 2024		TOTAL
	MALE	FEMALE	MALE	FEMALE	
Nitto Belgium	61	15	163	61	300
Nitto Advanced Film Gronau	42	7	38	6	93
Nitto Denko Czech	25	23	22	21	91
Nitto Deutschland	22	3	23	6	54
Nitto EMEA	17	5	18	9	49
Nitto Bento Bantçilik	16	5	16	3	40
Nitto Advanced Nonwoven Ascania	9	2	8	2	21
Nitto France	6	2	5	6	19
Nitto Italia	4	2	5	5	16
Nissho Hungary Precision	7	1	6	1	15
Nitto Otomotiv	5	3	4	1	13
Nitto Otomotiv	5	3	4	1	13
Nitto Ibérica, Sucursal en España	4		3	1	8
Nitto Polska	2	1	2	3	8
Nitto Scandinavia	1	2	3	2	8
Nitto Belgium NV, Representative office (Hungary)	2		2	2	6
Nitto Denko Netherlands	3		2	1	6
Nitto Rus	3	1	1		5
Nitto Denko UK	1	1	1	1	4
Nitto Belgium NV (External Profit Company)	1				1
TOTAL	231	73	322	131	757

PERCENTAGE OF EMPLOYEES WHO PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

The table below details the employees included in one or both performance processes and displays them as a percentage of the grand total.

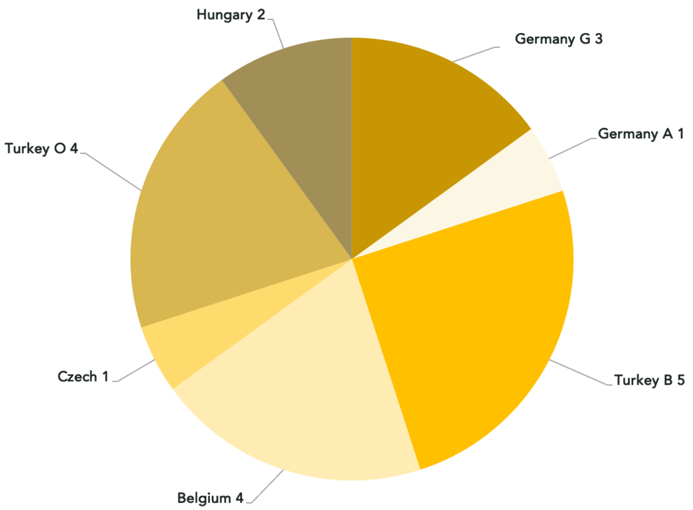
LEGAL ENTITY	FEMALE	MALE	TOTAL
Nitto Belgium	12.73%	33.47%	46.20%
Nitto Advanced Film Gronau	1.64%	8.62%	10.27%
Nitto Denko Czech	4.72%	5.34%	10.06%
Nitto Deutschland	1.44%	5.75%	7.19%
Nitto EMEA	1.85%	3.90%	5.75%
Nitto Bento Bantçilik	1.03%	3.49%	4.52%
Nitto France	1.23%	1.23%	2.46%
Nitto Advanced Nonwoven Ascania	0.41%	1.85%	2.26%
Nitto Italia	1.03%	1.03%	2.05%
Nissho Hungary Precision	0.21%	1.44%	1.64%
Nitto Otomotiv	0.41%	1.03%	1.44%
Nitto Scandinavia	0.41%	0.82%	1.23%
Nitto Polska	0.62%	0.41%	1.03%
Nitto Ibérica, Sucursal en España	0.21%	0.82%	1.03%
Nitto Rus	0.21%	0.62%	0.82%
Nitto Belgium NV, Representative office (Hungary)	0.41%	0.41%	0.82%
Nitto Denko Netherlands	0.21%	0.62%	0.82%
Nitto Denko UK	0.21%	0.21%	0.41%
TOTAL	28.95%	71.05%	100.00%

HEALTH AND SAFETY INDICATORS (ESRS S1-14)

The number of lost time accidents has increased. Thirteen lost time accidents occurred in fiscal year 2023, which increased to 20 in fiscal year 2024. Accidents caused by technical issues have decreased significantly, whereas behavior-based accidents have increased. Safety awareness will be a focal point in the upcoming fiscal years.

Work-related illnesses are counted in accordance with local legal provisions.

LTA - LOST TIME ACCIDENT (EMPLOYEE) FY2024



INCIDENTS AND COMPLAINTS (ESRS S1-17)

In this section, we refer to ESRS G1-1. No severe human rights incidents have been reported.

S2 WORKERS IN VALUE CHAIN

IMPACTS, RISKS, AND OPPORTUNITIES FOR WORKERS IN THE VALUE CHAIN (ESRS S2 SBM-3)

Nitto in the EMEA region has a positive impact on human rights by ensuring that all employees and other workers across its value chain are protected by basic social safeguards, such as fair wages, safe working conditions, and freedom from discrimination. Additionally, engaging in social dialogue with workers through regular communication and feedback mechanisms helps ensure that their voices are heard, and their working conditions continuously improve, fostering a more respectful and inclusive workplace.

Non-compliance with human rights and national laws in the supply chain can lead to investor withdrawal, reputational harm, legal penalties, and financial losses. Ensuring ethical practices across the value chain is essential for protecting business integrity and long-term performance.

In the following sections, we highlight how Nitto addresses these challenges.

Nitto's capability to deliver value to its customers and society depends heavily on the quality, availability, and costs of the purchased products. Moreover, how suppliers respond to and engage with us during a problem is critically important (e.g., delivery issues, quality issues, and sudden price fluctuations). Therefore, an extensive selection procedure for new suppliers and a yearly evaluation of existing strategic suppliers are important for assessing how these suppliers fit into Nitto's value chain. In addition, Nitto ensures that a significant portion of raw materials, equipment, and services are available from multiple suppliers in sufficient quantities to meet the company's needs. Good working relationships are formed and maintained with suppliers. With the installation of Global Procurement and a local procurement leader in April 2023, Nitto has further optimized the management of its supply chain. Learning from supply risks and issues during the COVID-19 pandemic, Nitto reduced its risk by optimizing its supplier base, improving relationships with key suppliers (invited to Nitto's global supplier event in 2023), and reducing dependence on specific suppliers driven by our dual-source program. These factors have all contributed to reducing the company's risk.

EMEA PROCUREMENT POLICY (ESRS S2-1)

Nitto in the EMEA region has a robust network of carefully selected, certified, and audited suppliers, ensuring the availability and quality of the company's products. Different types of suppliers include raw material producers, packaging material producers, technical goods producers, service providers, and subcontractors.

All purchases can be categorized as direct or indirect. Direct purchases are related to the Bill of Material (BOM) and typically include chemicals, films, fibers, liners, and packaging materials. Most of these suppliers are global companies with production bases in Europe. However, some import from overseas entities located in the Americas, Japan, Turkey, India, Thailand, and China. Some of these countries are considered having a significant risk of child labor or forced labor. To address this concern, new suppliers are required to submit an EcoVadis scorecard or complete the Nitto EMEA CSR survey as well as sign the Nitto Supplier Code of Conduct.

Indirect purchases are made from technical goods manufacturers and maintenance and service providers (typically for maintenance, IT, HR, and general consultancy). Suppliers related to indirect purchases are predominantly located in the EU and operate from their entities or execute their activities from inside Nitto (e.g., maintenance workers, IT contractors, and long-term consultancy contractors).

Nitto in the EMEA region has its own Procurement Policy that applies to all purchases prepared and processed within the company. This Procurement Policy supplements Nitto's existing policies, including the Business Conduct Guidelines, Nitto Group Human Rights Policy, and Nitto Group Regulations for Basic Procurement business and Basic Procurement Operations and for Supplier Qualification.

In general, this Procurement Policy applies to all suppliers. However, the level of engagement for certain requirements is higher for major and more strategic suppliers. Based on external certificates or standards, such as those from the International Organization for Standardization (ISO) or Responsible Business Alliance (RBA), we are gradually extending the scope of certain documents and requirements to more suppliers.

A formal process for selecting raw materials and supplier is required before Nitto can purchase them. In this process risks and opportunities should be evaluated, and material should comply with the EMEA Procurement Policy, legal requirements and customer specific requirements. This process/procedure is called the Materials and Supplier Qualification (MSQ) and is part of the EMEA Procurement Policy.

This MSQ procedure is also applicable to subcontracted items, Purchased Finished Goods (PFG), packaging materials (Certifications and Packaging Directives), technical goods, and services (if applicable). The MSQ procedure is only applicable for the initial approval of suppliers and materials used for standard production. Modifications to existing approved materials are handled via the change management procedure.

CSR is an integral part of the MSQ. Nitto's objective is to create sustainable growth with its suppliers and work jointly on projects that fit into a sustainable society. Therefore, our suppliers must provide Nitto with information on their CSR performance.

Major Suppliers are defined as those with an annual purchase value for Raw Materials of EUR 500 000 or EUR 100 000 or more for all other Goods or Services. Critical Suppliers are those who are essential for the execution of Nitto's strategy, or who supply the company's main commodities. All major and critical suppliers are required to submit an EcoVadis scorecard or complete the Nitto EMEA CSR survey and sign the Nitto Supplier Code of Conduct (in line with the Nitto Group Human Rights Policy and Basis Policy in accordance with international standards) or submit their own Code of Conduct if it complies with the minimum standards set forth in the former. The required minimum score for EcoVadis is 45, and that for the Nitto EMEA CSR survey is 50%.

The CSR performance of these suppliers should be included in the supplier selection (MSQ) and review process. The Purchasing Department incorporates analyses of the received CSR performance information into a formal yearly supplier evaluation, and the content thereof is subsequently shared with the major supplier. If required, the company and major supplier will jointly develop an action program to improve CSR performance.

If the supplier does not provide the requested CSR performance information by the deadline set by the company or does not reach the required minimum score, the Purchasing Department will perform an internal risk assessment and may require an audit of the major supplier. If a Major Supplier continues to fail to provide the requested CSR performance information or achieve the required minimum score, the company may initiate a termination or phase-out that supplier.

The EcoVadis assessment covers four domains, among with "Labor and Human Rights" and "Ethics" address human trafficking, forced labor or compulsory labor, and child labor. Nitto's CSR survey comprises 30 questions related to five themes (General, Environment, Labor & Human Rights, Ethics, Sustainable Procurement). The Labor and Human Rights category includes typical questions related to human trafficking, forced labor or compulsory labor, and child labor. Nitto's supplier Code of Conduct summarizes the specific standards of behavior and activities that we expect our suppliers to practice and observe. This Code of Conduct has been recently renewed and counts today 10 points necessary for suppliers to build a sustainable supply chain.

Both our CSR survey and supplier Code of Conduct are aligned with internationally recognized instruments relevant to value chain workers, including the UN Guiding Principles on Business and Human Rights.

ENGAGING WITH OUR SUPPLIERS (ESRS S2-2)

Nitto engages with its suppliers directly on several occasions but does not have a structured approach to engaging with value chain workers directly.

The first way to engage with suppliers is through the New Supplier Selection. This process is led by the purchasing manager who initiates the MSQ. The selection criteria are defined based on the product group (e.g., raw materials, subcontracting, or packaging) and the type of supplier (Major or Critical), which influences how deeply Nitto engages with its suppliers. Major and Critical suppliers are required to provide Nitto with information on their CSR performance by submitting their EcoVadis scorecard or completing Nitto EMEA's CSR Survey as well as sign the Nitto Supplier Code of Conduct, or submit their own Code of Conduct if it complies with the minimum standards set forth in the former. The minimum score required for the Nitto EMEA CSR survey is 50%. Since 2024, Nitto has requested that all its suppliers, representing 80% of the total purchase spending (including the top five by entity), have an EcoVadis scorecard. For EcoVadis, the required minimum score is 45, with at least 45 for the "Labor and Human Rights" domain. Below 45, Nitto will engage with the supplier once per year. If the score is higher than 45, we will engage with the supplier every two years to improve this score. With an average score between 60 and 70 points over fiscal year 2024, we can say with proud that the supply chain of Nitto EMEA has a sustainability scoring which is much better than the EcoVadis benchmark.

Jo Vansweevelt, EMEA Procurement Director:
"We strive to become an essential top ESG company. This means that ESG isn't just a checkbox—it's embedded in everything we do, in every decision we make. As such, Procurement is embracing EcoVadis as the perfect tool to drive suppliers to become more sustainable every day and to create a stronger supply chain by reducing the risks for our customers."

The second way Nitto engages with suppliers is through supplier reviews. Each purchasing department selects major suppliers and organizes an annual performance review with all relevant Nitto employees. During this review, several key performance indicators (e.g., delivery performance, product quality, complaint handling, and CSR performance), as set out in the MSQ, are evaluated, and each major supplier receives a rating accordingly. The outcome of the review is incorporated by the purchasing department in a formal evaluation, and the content is shared with the supplier. Nitto and the supplier will jointly develop an action plan to remedy any deficiencies. In the event of serious or continued non-performance, Nitto may initiate immediate termination of the major supplier.

The third way Nitto engages with suppliers is through the company's global supplier event. This event is organized annually as part of the Nitto Business Summit, wherein the regional CEO, his Executive Committee of Nitto EMEA, and the global chief procurement officer (CPO), together with their management, engage with our global suppliers. At this event, suppliers, represented by their leaders and/or managers, will be presented with Nitto's goal-setting and strategy, the direction and priorities of procurement, and Nitto's expectations for what contributions suppliers can make to reach our goals together. The event closes with a supplier award ceremony in which different suppliers are awarded annually for their exceptional quality, supply reliability, sustainability/ESG, and overall performance.

Nitto does not directly reach out to value chain workers in any of the above engagement activities, nor are there plans to do so. However, we are convinced that their representatives translated their workers' voices into Nitto's surveys and requirements.

WHISTLEBLOWING SYSTEM FOR VALUE CHAIN WORKERS (ESRS S2-3)

Nitto in the EMEA has extended its whistleblowing system to its suppliers since 2024. The EMEA whistleblowing system can be used by value chain workers to safely raise ethical concerns with Nitto.

This initiative has been extensively communicated to all our suppliers. A link to the EMEA whistleblowing system is also provided on every purchase order Nitto places in the EMEA region.

The setup of the system and its essential features (e.g., independent review of cases, strict confidentiality, and possibility of anonymous reporting) are in line with legal requirements. Further details on the EMEA Whistleblowing system, its features, and case handling can be found in this report, under G1-1.

A new global Supplier Code of Conduct was introduced in 2025, in addition to a link to our whistleblowing system. This new global Code of Conduct clearly mentions that suppliers can report concerns related to ethics, compliance, or this Code through the Nitto Group's Partner Hotline. The reports are handled confidentially by the Compliance Department, and whistleblowers are protected from retaliation.

ACTIONS RELATED TO MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES (ESRS S2-4)

We believe that Nitto's activities of delivering value to society and contributing to ESG performance have no negative impact on workers in our value chain. However, risks that do not comply with human rights and national legislation across the value chain can lead to investor withdrawal, reputational damage, regulatory sanctions, and legal consequences, all of which may have financial effects. As our DMA confirmed, we are convinced that the impact is only positive. We see our suppliers as a piece of the puzzle that enables Nitto to perform at its best. Suppliers are as important as customers. Growth and prosperity for Nitto means growth and prosperity for our suppliers, whom we treat openly, fairly, and with respect. This culture and mindset leads to true partnerships in which mutual collaboration and supplier development programs make our suppliers stronger, better, and growing in different domains.

An additional risk is that dependencies become stronger because of the specific nature of the material or service the suppliers offer to Nitto because of joint development work or collaborative projects, making these suppliers difficult to replace.

Regarding the action taken, we refer to earlier sections that explain the implementation of the EcoVadis scorecard for suppliers, CSR Survey, Supplier Code of Conduct, and whistleblowing system, all of which we believe contribute to a positive impact on workers in the value chain.

Nitto requires major and critical suppliers to provide information about their CSR performance by submitting their EcoVadis scorecard or completing Nitto EMEA's CSR Survey and signing the Nitto Supplier Code of Conduct or submitting their own.

Measures will be taken in the following four cases:

- EcoVadis total score < 45 (as of 2025)
- EcoVadis total score ≥ 45, but <45 in the Human Rights domain (as of 2025)
- CSR survey with a result below 50%
- Not signing Nitto's Supplier Code of Conduct or providing or submitting their own Code of Conduct if it complies with the minimum standards set forth in Nitto's Supplier Code of Conduct.

In these four cases, Nitto will engage with the supplier to understand the situation and ask for improvement actions. The results of these actions will be measured again the following year.

Stefan Maussen, Managing Director of Nitto Belgium:
"Today our business is deeply integrated with environmental, social, and governance (ESG) priorities—making ESG the cornerstone of our operations. It guides our journey towards a sustainable future creating long-term value for all our stakeholders.
Our commitment is reflected in three key pillars:

- *Achieving carbon neutrality by 2045 through the adoption of innovative technologies and reducing the carbon footprint of our products.*
- *Promoting a diverse and inclusive workplace that prioritizes employee well-being and empowers individuals to embrace growth and new challenges.*
- *Building a responsible and resilient supply chain by efficient resource utilization across the value chain*

By embedding ESG principles into our daily operations, we aim to drive meaningful change and contribute to a more sustainable and equitable world."

S4 CONSUMERS AND END USERS

IMPACTS, RISKS, AND OPPORTUNITIES FOR CUSTOMERS (ESRS S4 SBM-3)

Safety and product-quality issues may expose our company to liability claims, thereby harming its reputation and decreasing sales. Thus, ensuring high standards is key to minimizing financial and brand risks.

Nitto counters this risk by contributing to consumer safety and avoiding the use of harmful substances, foreign objects, and microbial contamination as much as possible, thereby ensuring the highest standards of product safety.

By offering high-quality, authentic products, Nitto enhances the overall consumer experience. Additionally, the company safeguards consumer and end-user protection by ensuring data privacy, maintaining transparency in information sharing, and upholding trust through responsible data handling.

ACCESSIBLE POLICIES FOR CUSTOMERS (ESRS S4-1)

Nitto strives to share information relevant to stakeholders. In addition to our annual reports, the stakeholders of Nitto in the EMEA can find publicly accessible information on other policies, such as the following:

Basic Policy on Procurement

Basic Policy on Human Rights

Basic Policy on Disclosure

Privacy Policy

Basic Policy on Information Security

Nitto EMEA also provides specific product-related information for our customers and end users in the form of product data sheets and SDS, which are often posted on our website. If a product sheet is not available, an inquiry form may be filled out that will be received by a Customer Service Representative who can help answering for any questions.

CUSTOMER ENGAGEMENT (ESRS S4-2)

Nitto's customers in the EMEA region are B2B companies. We actively work to engage and communicate with customers in various ways.

For high-level communication, Nitto in the EMEA region maintains an active presence on the LinkedIn™ platform, sharing initiatives, positive impacts, and general topics. Nitto engages in social media, as it is a socially preferred way for individuals and businesses to obtain news on topics they care about. To ensure that information is communicated effectively, we set LinkedIn™ Follower targets and evaluate visit rates. We also share company updates on the news section of our website, www.nitto.com.

For existing customers and stakeholders, we host interactive programs such as webinars, in-person trainings, and the Nitto EMEA Business Summit in Turin, Italy. We supplement these activities with informational videos shared directly and on our social media channels. For these activities, we monitor attendance and guest satisfaction to ensure that we deliver a quality experience.

In 2024, we introduced a new experience for stakeholders called "The Dusseldorf Experience Center." Located at our Dusseldorf business center, this space is designed to take guests on a hands-on journey into our technologies. Tours, workshops, and training courses are custom-designed for each guest to explore how we can create a more sustainable tomorrow, together. These individual experiences allow us to better understand stakeholders' needs, making it easier to match their demands with Nitto technologies. Following our sustainability goals, this space was designed using reclaimed wood and panels composed of recycled water bottles.

Nitto in the EMEA region has also engaged with the market at several industry-leading tradeshows. Nitto was present at six industry shows and forums in fiscal year 2024.

Attending these shows allows Nitto in the EMEA region to engage with the market and share technology solutions for industry challenges.

- EuroBLECH™*, the world's leading exhibition for the sheet metal industry.
- Adhesives and Bonding Expo, Europe's largest showcase of industrial bonding solutions and services.
- PCIM™*, a leading international event for technology and innovations in the power electronics field.
- The Battery Show, Europe's largest trade fair for advanced battery and H/EV technology.
- World Hydrogen Summit, Europe's largest hydrogen focused exhibition
- EDANA Sustainability Forum Nov-24 in Brussels, which, under the motto "Building a Sustainable Future Together," assembled leading representatives of the nonwovens industry, political decision-makers, and sustainability experts with Nitto presenting "Corporate Sustainability in the Nonwovens Industry: How Can We Make it Work?"

*"Trademark of "Reed Exhibitions Limited"

For specific audiences, Nitto in the EMEA region communicates more directly via email from customer service or a direct phone call. These communications are shared in relation to a specific activity, such as changes related to a product or factory site and positive or negative material impacts.

Nitto in the EMEA region is a B2B company and therefore does not have targeted engagements for consumers. However, we do support our local communities through CSR activities outlined in the "Contributions" section of this report.

At Nitto, we understand that communication is an ongoing journey that requires constant attention and adaptability. Effectively communicating accurate information to the appropriate audience, following all data privacy and GDRP laws, is crucial. We believe in openness, relevancy, and privacy, all of which are regularly evaluated by Marketing and Operations Management at each stage of the business process.

THE NITTO EMEA BUSINESS SUMMIT

We strive to incorporate material assessments into all aspects of our business strategy and customer engagement.

One such example is the Nitto EMEA Business Summit held in November in Turin, Italy. This event is an opportunity for Nitto in the EMEA region to share our strategies, actions, and targets with hundreds of stakeholders, including employees, customers, channel partners, and suppliers.

During the event, we also share highlights and updates on our internal network for employees and on our social media network for those unable to attend.

We strive to incorporate material impacts into all aspects of the event.

For example:

- Instead of providing physical gifts to guests, Nitto EMEA donated money to a water safety program through UNICEF and a CO_2 reduction program through the World Wildlife Fund.
- The trophies given out at the award ceremonies were made from scrap material from Nitto's Gronau facility in Germany.
- Products and technology developments were shared with guests at an exhibition designed using recycled materials used in previous events.

By incorporating sustainability into all aspects of our decision-making, we can not only achieve our targets more successfully but also show our business goals in action.

TAKING ACTION ON CUSTOMER FEEDBACK (ESRS S4-3)

We highly value feedback from our customers and collect it through several channels. In a customer-centric business, such as ours, understanding customers' needs, preferences, and experiences is paramount. This feedback serves as a crucial compass, guiding us to refine our vision and ensure that our products and services constantly align with our customers' true desires and expectations. Actively listening to our customers provides a deeper understanding of the evolving market landscape and allows us to proactively adapt to meet their expectations, positioning us as trusted partners in their success.

One method of collecting feedback is to send an annual customer satisfaction survey to all active customers in the EMEA region to gather insights. Each year, we ask questions in four categories: Communication, Quality, Innovation, and General. The standard questions encompass satisfaction with complaint handling, product quality, and Nitto's ESG performance. These questions remain the same every year, enabling us to measure the impact of our initiatives on customer satisfaction. This ongoing dialogue helps us stay attuned to shifts in customer needs and identify trends that can lead to innovative solutions that reinforce market leadership.

We are proud to report that Nitto in the EMEA region achieved an average customer satisfaction score of 85 in fiscal year 2024, marking an improvement from the score of 84 recorded in fiscal year 2023. Over the last three years, we have seen a steady upward trend in satisfaction, which reflects our unwavering commitment to enhancing the customer experience.

Each year, we review the survey results and identify our positive impact and improvements. This feedback is reviewed by site leadership and department heads who communicate with their teams and develop action plans. Recognizing successes and opportunities, and acting on both, is crucial. Observing how their work affects customers is rewarding for employees. Thus, high-level results are shared with all EMEA employees.

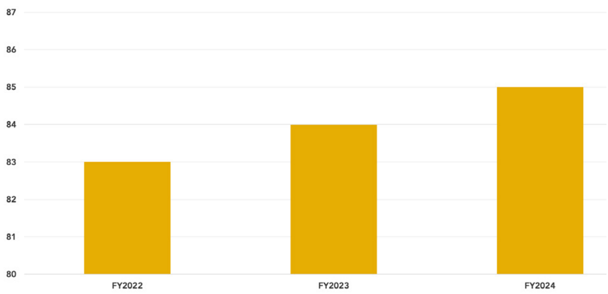
Follow-up action often involves reaching out to the customer and discussing the feedback personally. It is important for us to deeply understand the feedback so that we can target specific areas of improvement to enhance customers' overall experience.

Another channel for customers to raise concerns is by directly reaching out to their Key Account Manager or Customer Service Representative if they have feedback or grievances. Product-related grievances are submitted for formal review and handled accordingly. Non-product-related topics are handled individually through department-related management.

Finally, we provide an open communication channel on our website through the "Contact Us" form. Anyone can use this form to submit comments and may choose to submit them anonymously. Through this form, our Customer Service team handles thousands of inquiries on various topics. A process flow monitors the topics raised, ensuring that they get to the right people, and departmental KPIs and targets measure efficiency and results.

Nitto currently does not have an anonymous grievance mechanism for customers.

CUSTOMER SATISFACTION TREND



This continuous cycle of feedback, improvement, and growth is integral to our long-term strategy in the EMEA region as we strive to build enduring relationships with our customers and deliver the exceptional value they have come to expect from Nitto. By setting clear and measurable goals and targets based on customer feedback, we can ensure that our actions align directly with evolving needs and expectations.

We believe that the foundation of strong relationships with our stakeholders is built on trust, open communication, and a shared commitment to excellence.

ACTIONS RELATED TO IMPACTS, RISKS, AND OPPORTUNITIES FOR OUR CUSTOMERS (S4-4)

If customers experience a major negative impact, Nitto EMEA will evaluate the situation, and management will decide how to resolve the problem. Proper communications are determined for each individual situation, which may include direct communication with affected stakeholders, or posting an article on the **News section of our website.**

Since 2022, the Nitto Group has highlighted the positive impacts of products or services that make an elevated contribution to human life and the planet through its PlanetFlags/HumanFlags recognition scheme. PlanetFlags/HumanFlags are judged based on various factors, including the level of need within the industry, ability to solve a problem compared to competitors, third-party recognition, and how the company solves an issue facing humanity or the environment.

PlanetFlags/HumanFlags are how we put into practice measures related to material issues for sustainability. These recognition standards are also reflected in our selection of future projects during the development process. By preferentially allocating R&D resources to products expected to receive recognition, we can advance our efforts to simultaneously solve social issues and create economic value through business. The selection process and list of currently certified products can be found **on our website.**

Governance

STRONG PRINCIPLES, SUSTAINABLE PROGRESS

STRONG PRINCIPLES, SUSTAINABLE PROGRESS

Governance

G1 BUSINESS CONDUCT

GENERAL DISCLOSURE – GOVERNANCE (ESRS2 GOV-1 - GOV-2; GOV-4 - GOV-5)

1. GOVERNANCE

Key Bodies in the Nitto Denko Group with Responsibilities in Sustainability Matters
To address, promote, and manage sustainability matters, the Nitto Denko Corporation has established a governance system in which the President-Director and CEO is appointed as the superintendent, and the Corporate Strategy Meeting body plays a central role. They operate under the guidance and supervision of the Board of Directors.

The Board of Directors is a decision-making body that decides on all important matters, such as management policies and targets related to sustainability (future-financial targets). Each quarter, the Nitto Denko Board of Directors provides periodic directions and supervises the sustainability targets (future-financial targets) of the midterm management plan, as well as the progress made towards achieving those targets. When new material matters arise, the Board of Directors adds new items to the agenda.

The Corporate Strategy Meeting, chaired by the President-Director and CEO and comprising all Vice Presidents, is responsible for making decisions on and in relation to specific policies and measures for action based on management policies and indicators regarding sustainability. This body also manages risks and opportunities and monitors progress towards achieving sustainability targets monthly.

Quarterly, the Corporate Strategy Meeting informs the Nitto Denko Corporation's Board of Directors of its deliberations and decisions, progress made on initiatives, and, as necessary, additional reports if a material matter arises.

At the global level, the Corporate Strategy Meeting is the central platform for discussing the promotion of ESG management. Neither a General Sustainability Committee nor ESG Committee has yet been established. The composition, diversity, expertise, and skills of the members of the Board of Directors and Nitto Denko's Vice Presidents are detailed in the Nitto Group's 2025 Integrated Report, which can be found on **our website**.

Currently, no comprehensive process or overview is in place that allows the aforementioned bodies to determine whether appropriate skills and expertise are available or will be developed to oversee sustainability matters related to the company's material impacts, risks, and opportunities.

2. STRATEGY

To solve social issues and create economic value simultaneously, the Nitto Group identifies material issues for sustainability based on its Basic Policy on Sustainability. Placing ESG at the core of management, the Group reviewed and revised material issues for sustainability in 2024 to become "essential" for the global environment, humanity, and society, and further accelerate sustainable growth. These material issues were selected and identified from issues deemed important, as they might affect the company and its stakeholders (i.e., the environment and society) over the long term.

By implementing them, we identify the risks and opportunities associated with each issue and reflect them in our business plans. For the material issues identification process, please refer to "Material Issues for Sustainability" published on our **website**:

3. RISK MANAGEMENT

The Nitto Group appropriately manages key risks and opportunities related to sustainability, recognized by management as significantly affecting the company's business activities.

Regarding key sustainability-related risks and opportunities in business activities, the Group understands the impact of changes in the internal and external environment, and evaluates and identifies (selects) issues of relative importance based on the "magnitude of impact" on business in the case of an incident and the "possibility of occurrence." The prioritization of risks and opportunities is determined following a careful assessment process.

Business execution departments and regional managers, who collaborate closely with their colleagues in Japan, monitor the key risks and opportunities related to sustainability. The responsibility to manage such key risks and opportunities is designated and performed by special function departments, as described on page 65 of the Nitto Group Integrated Report 2025, which is accessible via the following **link**.

Internal reporting on monitored risks and opportunities is conducted monthly at the Corporate Strategy Meeting, which consists of Directors and Vice Presidents. The results of deliberations are communicated to related departments, and countermeasures against risks and measures for opportunities are promptly taken to strengthen controls. The progress of implementation and improvement will again be reported and monitored at the next Corporate Strategy Meeting.

Nitto in the EMEA region not only executes and manages sustainability matters and strategies established at the global level but also implements region-specific sustainability goals and targets.

The EMEA Executive Team (EC), which is composed of our EMEA CEO - President, Heads of Functions of the EMEA Region and Heads of the main business units in the region (BASE and AFS), dedicated EMEA Sustainability Managers and sustainability experts at the local sites play an important role herein. Also the EMEA entities' Board of Directors substantially contribute to the development and implementation of sustainability targets and initiatives.
Our EMEA Sustainability Managers ensure a consistent focus and approach on sustainability matters throughout the region.

In the EMEA region we also closely cooperate with Nitto Denko Corporation's sustainability bodies and experts.

CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES (ESRS G1-1)

Nitto fosters a corporate culture of acting ethically and complying with a fundamental focus on the environment and humankind throughout the value chain.

Global values and standards form the foundation of our corporate culture and guide responsible actions in all activities.

BUSINESS CONDUCT GUIDELINES

Our Business Conduct Guidelines (BCG) are the cornerstone of the Nitto Group's Compliance Policy.
They outline the ethical standards and behaviors expected of every employee and everyone working for or on behalf of Nitto. In addition, stakeholders, such as our suppliers, contractors, and other business partners, are expected to demonstrate the same high ethical standards that we do.

Our BCG encompasses a broad range of critical areas and provides clear guidance on the following key topics, among others:

- Basic Policy, Including Respect for Fundamental Human Rights: An overview of the fundamental principles that guide our actions and decisions, ensuring global alignment on Nitto's mission and essential values.
- Safety and Quality: Expectations for maintaining the highest safety and quality standards in all aspects of our work, prioritizing the well-being of our employees, customers, and the communities we serve.
- Employment and work: Policies that govern fair employment practices, emphasizing the importance of a respectful, inclusive, and supportive workplace.
- Employment and Society: Guidelines that reflect our commitment to environmental stewardship and responsibility to contribute positively to society.
- Company Assets and Information: Rules regarding the proper use and protection of company assets and responsible handling of sensitive information.
- Relations with Third Parties: Standards for conducting business with external partners to ensure transparency, fairness, and ethical conduct in all interactions.

Nitto's BCG has been implemented globally and is translated into 18 languages. The guidelines are easily accessible via our internal website and **our website**

Our BCG, compliance management system, and other related measures (further described below) promote a positive and inclusive business environment not only for our employees but also throughout the upstream and downstream value chains. They strengthen actions and create an environment characterized by respect, ethics, and responsible behavior in accordance with applicable laws.

Essential ethical standards and expected behaviors are further described in specific internal policies and procedures. For example, the Nitto Group Policy on Human Rights covers fundamental respect for human rights. Other examples include our Group Policy on Human Resource Management and Basic Policy on the Environment. Our expectations for suppliers are set forth in our Supplier Code of Conduct and EMEA Procurement Policy.

COMPLIANCE PROGRAM, CORPORATE VALUES, AND BUSINESS CODE OF CONDUCT

A continuous point of attention throughout our organization is making the BCG and Nitto's core values thoroughly known. Some aspects of our business conduct measures are governed by a centrally managed action plan, which is complemented by specifically tailored publicity and promotion actions managed and organized in the EMEA region and at the local level by our different sites in the region.

The promotion of our core values is further fostered through mandatory training on various topics related to ethics and business conduct. Training materials and formats are continuously updated and consider specific identified risks, as well as individual target groups and business areas. These factors determine the specific content (scope) of the training. Ensuring that targeted individuals fully understand and master the subject matter is also important. To achieve this, mandatory tests must be passed successfully and/or confirmations thereof should be issued.

Following the introduction of the Nitto Global Learning Lab (NGL) at all locations in the EMEA region in April 2024, targeted training courses can be conducted for all employees in the region. Thus, training courses and requirements can be adapted to adequately cover the identified risks and determine the needs of individual target groups and business areas. Training participation and records can be tracked and monitored easily and consistently using this platform.

During the reference period, 687 employees in the EMEA region participated in trainings rolled out through the NGL.

For example, employees involved in procurement activities are considered the primary target group for corruption and bribery training; therefore, during the reference period, mandatory training was organized on Nitto EMEA's Procurement Policy for these managers. Participants' knowledge of the

subject matter was also assessed. A wider rollout of the training to other levels in our EMEA organization is intended for fiscal year 2025.
Online mandatory training sessions on various topics have been complemented by live training sessions. During the reference period, trainings were provided at different sites in the EMEA region to refresh the Nitto BCG and the core values embedded therein. Details of a comprehensive policy concerning business conduct training, including training frequency, are currently being considered.

Considering senior leaders' important role in embodying and disseminating our compliance culture, in fiscal year 2024, specific training sessions were provided to all board members of Nitto companies in the EMEA region on Nitto's core values and our BCG, reminding them of their crucial role.

Furthermore, in fiscal year 2024, Human Rights, Labor, and Ethics Committees were established at each site in the EMEA region. The purpose of these Human Rights, Labor and Ethics Committee meetings is twofold:

1. To formulate and address site-specific topics related to Human Rights, Labor, and Ethics.

2. To develop and execute site-specific action plans.

On-site Human Rights, Labor, and Ethics activities are taking place under guidance and with support from the Human Rights, Labor, and Ethics Committees at the EMEA and global levels, respectively.

In addition, throughout the value chain, our corporate culture is consistently promoted and safeguarded through the application of various policies and procedures, which are described in detail in the EMEA Procurement Policy Section of this report (S2-1 above).

EVALUATION OF OUR COMPLIANCE CULTURE

Our compliance culture is evaluated annually through a Compliance Survey, which is organized globally and provides all employees with the opportunity to assess the compliance culture within our organization.
The results of the Compliance Survey form the basis for the implementation of specific targeted and topic-related actions at each site in the EMEA region.

A Quality Compliance Survey was conducted for the first time in fiscal year 2024.

MONITORING ADHERENCE TO OUR COMPLIANCE STANDARDS

Adherence to established policies, procedures, processes, and compliance principles is monitored through Internal Audits. As part of these audits, an independent review is conducted to determine from the outset whether the processes and procedures are appropriate and sufficient to minimize potential risks, including fraud and potential non-compliance risks. Extensive process reviews are performed on operating and supporting processes and procedures. Subsequently, internal control processes, procedures, and systems are adjusted when necessary.

These are complemented by robust management systems that prevent violations of policies, procedures, applicable laws, and regulations.
Every year, including during the reference period, Conflict of Interests (COI) awareness and refreshment trainings are conducted throughout the EMEA region. At the individual level, all employees in the EMEA region are asked to provide a COI Statement annually.

Employee feedback was analyzed, and appropriate actions were taken if necessary.

MULTIPLE AVAILABLE AVENUES

Concerns regarding unlawful behavior or behavior in violation of our BCG, essential values, and other binding policies and procedures can be addressed through several routes. Employees are encouraged to reach out for guidance and raise concerns to their supervisor(s), local HR business partners, or members of the Nitto EMEA Legal and Compliance Team.

Additionally, they can use the EMEA whistleblowing platform. This system can be accessed by Nitto employees and was recently opened to suppliers in fiscal year 2024. As part of a comprehensive information campaign, suppliers were informed that they could report their ethical concerns using the EMEA whistleblowing portal.

EMEA WHISTLEBLOWING SYSTEM

The EMEA whistleblowing system is an encrypted third-party system that can be used to report potential or actual misconduct; (alleged) violations of laws, rules, regulations, or Nitto policies and procedures, such as our BCG; environmental or quality issues; bribery; and corruption. Other serious concerns can also be addressed using this system. The EMEA whistleblowing system is regularly brought to employees' attention through specific EMEA-wide campaigns and screens and posters in public places at all sites in the EMEA region, presented in the governing local languages.

The key characteristics of the EMEA whistleblowing system, case investigations, and case process are confidentiality, impartiality, accuracy, and respect for human rights and other legal provisions. If the reporting party wishes, cases can be reported anonymously and treated as such throughout the investigation.

The whistleblowing system in the EMEA region and case handling and reporting procedures are set up in such a way that the fundamentally required safeguards are always respected.

Another important feature of the EMEA whistleblowing system is that retaliation against anyone who reports a concern or participates in an investigation in good faith will not be tolerated.

These essential principles and procedures for handling reported allegations and claims are set forth in a specifically designated EMEA Policy on Whistleblowing.

All relevant information on the system and its rules of procedure are available on our website and are complemented with trainings to ensure that everyone is aware of and understands the policy and related procedures.

All employees can easily access the EMEA whistleblowing system using a personal computer or smartphone (via a link or QR code™*).

For suppliers, every purchase order in the EMEA region contains a link and QR code™* to the EMEA whistleblowing system, allowing them to easily report ethical concerns.

All reports and complaints are taken seriously, and followed-up closely. The cases are handled by the EMEA Ethics Committee, with full respect to confidentiality, impartiality, and anonymity (if preferred by the reporting party). Communication with case reporters is performed as soon as possible, and cases are investigated within a short timeframe.

On a monthly basis internal reporting on the reported cases is done to the Corporate Strategy Meeting and Board of Directors of Nitto Denko Corporation as well as to Nitto's full-time corporate auditors and HQ located Board of Directors Members, namely our CFO and CHRO. Additionally, after every fiscal year a general overview of the cases and actions undertaken is provided to the Board of Directors of Nitto EMEA.

INTERNAL AUDIT MONITORING

In addition, the internal audit team independently reviews and monitors compliance with our guidelines, procedures, and laws. Its controls are designed to prevent unlawful conduct and minimize the associated risk.

**"DENSO WAVE INCORPORATED"*

MANAGEMENT OF RELATIONSHIPS WITH SUPPLIERS (ESRS G1-2)

For an extensive overview of how Nitto in the EMEA region handles and manages its relationships with its suppliers, please refer to the EMEA Procurement Policy Section (S2-1).

PROCEDURES TO ADDRESS CORRUPTION AND BRIBERY/PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY (ESRS G1-3).

Allegations and incidents of corruption and bribery can be raised in one of the ways set forth and explained in detail in G1-1

Information on the procedures that Nitto in the EMEA region has in place to prevent, detect, and address allegations or incidents of corruption and bribery, in accordance with G1-3 datapoints, can be found above in G1-1

CONFIRMED INCIDENTS OF CORRUPTION OR BRIBERY (ESRS G1-4)

No convictions for violations of anti-corruption or anti-bribery laws occurred during the reporting period. Furthermore, no breaches in our anti-corruption or anti-bribery procedures or standards were reported or detected through the monitoring activities of the Internal Audit team in the EMEA region.

As explained in the "Supplier Engagement" section, the procurement processes in place, including our dedicated Supplier Code of Conduct and CSR survey, are aimed at screening our business partners for signs of corruption and unethical behavior in general. These processes and procedures range from supplier selection and onboarding to supplier reviews. Further information on this topic can be found in the EMEA Procurement Policy Section (S2-1).

No business partners were terminated or renewed in the EMEA region for reasons related to bribery or corruption during the reference period.

SUSTAINABLE BUSINESS OFFERING

EMPOWERING SUSTAINABLE CHOICES THROUGH TRANSPARENCY

Since January 2025, we have taken a proactive step towards sustainability by including the carbon footprint of each manufactured product directly on customer invoices. This initiative was designed to spark meaningful conversations about environmental impact and raise awareness of sustainable options within our portfolio without applying pressure to customers. We believe in supporting our customers on their sustainability journey at their own pace.

Currently, this initiative is active at Nitto Denko Czech, Nitto Belgium, and Nitto Bento Bantçılık, where the necessary systems are in place to calculate cradle-to-gate carbon footprints. We are also working to implement similar capabilities at our other sites. Specifically, for our German locations, our goal is to have a carbon footprint calculation tool in place during fiscal year 2025.

By making environmental data transparent and accessible, we aim to empower our customers to make informed and sustainable choices when they are ready.

GROWING CUSTOMER AWARENESS DRIVES SHIFT TOWARD SUSTAINABLE SOLUTIONS

We are witnessing a significant increase in customer awareness and demand for sustainable business offerings across key industries. In the personal care sector, major brands are transitioning to biodegradable wet wipes, reflecting a strong commitment to reducing the environmental impact and meeting consumer expectations for eco-friendly products.

Similarly, the automotive industry is embracing more sustainable practices. Customers are increasingly opting for emulsion-based solutions over traditional solvent-based alternatives, signaling a clear shift towards greener technologies and responsible innovation.

These trends highlight a broader movement. Sustainability is no longer a niche concern but is becoming a central criterion in purchase decisions and product development strategies.

PLANETFLAGS / HUMANFLAGS PRODUCTS

In this section, we showcase the positive contributions that our products and services make to the planet and human life. Products with a particularly high level of contribution are recognized by attaching "PlanetFlags" or "HumanFlags," to embody our approach to material issues related to sustainability.

PLANETFLAGS

HARNESS PROTECTION PVC TAPE

Thin but abrasion-resistant tape cotributes to the weight reduction of cars


Harness protection PVC tape

IMPACT ON SOCIETY

- **Life cycle CO_2 emissions: -46%**
- **Mobility weight: -1.3kg/vehicle**

calculated using data for the car model. The reductionrate differs depending on the car model.

Providing solutions for decarbonization and material-circulation solution.

DOUBLE-SIDED TAPE FOR FIXING INTERIOR PANELS

No glue for environmenyt contribution and simplified construction


Double-sided tape for fixing interior panels

IMPACT ON SOCIETY

- **Life cycle CO_2 emissions: -60%**
- **Improves work efficiency on site**

Providing solutions for decarbonization and material-circulation solution.

ANTI-REFLECTION FILM FOR AUTOMOTIVE DISPLAYS

Not using fluorinated solvents and achieving high performance


Anti reflection film for automotive displays

IMPACT ON SOCIETY

- **Life cycle CO_2 emissions: -58%**
- **Amount of solvent containing fluorine used: -98%**

Providing nature-positive products

Providing solutions for decarbonization and material-circulation solution.

For more information and an overview of all PlanetFlags and HumanFlags products, please refer to **our website.**

HUMANFLAGS

DIAPER ELASTIC COMPONENTS

Combines safety by non-adhesive design and high fit performance

IMPACT ON SOCIETY

- Contributing to baby-friendly, non-adhesive (chemical-free) designed diaper components
- Reduces adhesive odor of diapers by non-adhesive design

Providing products that esure comforty and security of life.

Providing products that support sound and healthy life.

DIAPER WAISTECUFF ELASTIC COMPONENTS FOR LEAK-PROOF POCKET

Combines safety by non-adhesive design and high fit | leakage performance

IMPACT ON SOCIETY

- Prevents diaper leakage issue and contributes to babies and families
- Contributing to baby-friendly, non-adhesive (chemical-free) designed diaper components

Providing products that esure comforty and security of life.

Providing products that support sound and healthy life.

For more information and an overview of all PlanetFlags and HumanFlags products, please refer to our website.

Contributions

ESG WITHIN EMEA GATE

Group Activity Towards Excellence (GATE) is a global system that promotes bottom-up improvements that include team members from various departments. Regional competitions take place once every year to select the best project in one of three categories: GATE/Excellence, Safety, and ESG.

Through GATE, one of the main drivers of employee participation, we have been able to establish a corporate culture in which everyone constantly asks themselves how they can enhance productivity, reduce costs, and improve their environmental footprint. In addition to networking and teambuilding, the exchange of successful local projects and their potential implementation at other sites is a key target of this competition.

Regional winning teams are invited to join the Global GATE presentation in Japan.

CELEBRATING INTERNATIONAL WOMEN'S DAY IN NITTO DENKO CZECH

On March 8, 2025, Nitto Denko Czech celebrated International Women's Day, which is a day to recognize and appreciate the amazing women working there, their strength and dedication, and the impact they have at work and in their everyday lives.

To make the day special, a small surprise was prepared for female colleagues, who each received a beautiful flower and sweet chocolate in appreciation of everything they do. Seeing their smiles and happiness was a lovely reminder that even a small gesture can brighten someone's day.

We believe that moments such as these help create a positive and supportive team spirit, while showing how much women are valued in our workplace.

Jan Musil, Managing Director of Nitto Czech:
"Nitto Czech has a long-term commitment to sustainability and ESG activities, which are an integral part of our corporate strategy. In the environmental area, we minimize production waste, keeping it below 1%, and we plan further reduction through recycling of cleaning batches.
During FY24 we continued to invest in technology modernization, workplace safety, and ergonomics.

In the social area, Nitto Czech supports equal pay, living wages, equal opportunities, and diversity, with women making up over 50% of our workforce. The company also organizes charitable and community activities, such as cooperation with children's homes and charity run.
We plan to further improve ourselves, to keep our position of an ESG role model company."

FAMILY DAY AT NITTO BELGIUM

On Saturday, October 5, the Nitto Belgium site was transformed into "NITTOWN," in honor of its 50th anniversary. NITTOWN served as a vibrant location to host "The Nitto Festival," which brought together all employees and their families. Retired employees were also invited for a day full of fun and connection.

The festivities took place at the Nitto Belgium site, which showed a true festival atmosphere for this occasion. Food trucks and drinks were everywhere, providing a tasty culinary experience. Many entertainment opportunities were also available for children.

A special addition to the festival was the "Memory Lane," which displayed Nitto Belgium's milestones. This provided a beautiful overview of the company's rich history. There was also a pop-up cinema showing a new film on Nitto, Belgium, which attracted many visitors.

The highlight of the day was the performance by the "Nitto Plekband," a live band consisting of eight talented colleagues. Their performance was a surprise for many colleagues and provided a fantastic end to a wonderful day.

With the sun high in the sky and beautiful weather, many happy colleagues were seen. The festival was a perfect opportunity for togetherness and connection, showing that Nitto Belgium is ready for a promising future.

Certificates

Nitto's production sites in the EMEA region hold various certificates in the fields of Safety, Quality, Energy and Environment, in addition to other customer-specific requirements. Most of these certificates must be renewed annually or upon special request.

	BELGIUM	TURKEY B	CZECH	TURKEY O	HUNGARY	GERMANY G	GERMANY A
ISO 14001	✓	✓	✓	✓	✓	✓	✓
ISO 45001	✓	✓	✓	✓	✓	✓	✓
ISO 9001	✓	✓	✓	✓	✓	✓	✓
IATF	✓		✓	✓	✓		
EcoVadis	platinum	gold	platinum	silver	gold	platinum	gold
ISO 50001		✓				✓	✓
ISCC+*	✓	✓				✓	
VCDO	✓						
TISAX	✓		✓				
EN 15593						✓	
OEKO-TEX*						✓	✓
FSC*							✓
PEFC*							✓

Overview Certificates fiscal 2024 for EMEA production sites (FSC Forest Stewardship Council; PEFC Programme for the Endorsement of Forest Certification)

Mehmet Özdemir, Managing Director of Nissho Hungary Precision:

"We are proud to share that our company has been awarded the Gold Medal in the latest EcoVadis Sustainability Assessment. This recognition places us among the top-performing companies globally in terms of sustainability, ethical business practices, and corporate social responsibility. While this Gold Medal is a significant milestone, we recognize that sustainability is a journey, not a destination. We remain committed to further improving our performance, fostering innovation, and collaborating with our stakeholders to build a more sustainable future. Thank you to everyone who contributed to this success. Together, we will continue driving positive change and setting high standards for responsible business practices."

A MESSAGE FROM OUR CEO
Closing Words

To conclude, sustainability is not a destination, it's a continuous journey.

At Nitto EMEA, we are committed to driving progress across environmental, social, and governance priorities. This means strengthening collaboration with suppliers, empowering customers with sustainable choices, and ensuring diversity, equity, and inclusion remain at the core of our culture. Our Diversity, Equity & Inclusion (DE&I) efforts will continue through initiatives such as unconscious bias and microaggression training for all employees, because true inclusion leaves no one behind.

This report reflects our ambition to lead in sustainability and our belief that real progress happens when we work together. By combining innovation with responsibility, we can create solutions that benefit both society and the environment.

Let's Move Forward, Together.

Be Safe!
Be Sustainable!
Be Inclusive!

Sam.

EUROPEAN SUSTAINABILITY REPORTING STANDARD

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Innovation for Customers

Nitto EMEA NV
Eikelaarstraat 20, B-3600 Genk, Belgium

www.nitto.com