

2025 NN, INC.

Sustainability Report

CONTENTS

LETTER FROM OUR CEO

NN OVERVIEW

- ▶ Mission, Vision, and Values
- ▶ Who We Are
- ▶ Our Global Footprint

SUSTAINABILITY STRATEGY

- ▶ History
- ▶ Materiality Assessment
- ▶ Stakeholder Engagement

PRIORITIZING PEOPLE

- ▶ Employee Health and Safety
- ▶ People and Culture
- ▶ Training Programs
- ▶ Our Workforce
- ▶ Human Rights
- ▶ Community & Team Engagement

OPERATING SUSTAINABLY

- ▶ Climate Impact
- ▶ Waste and Hazardous Waste Recycling
- ▶ Air Quality
- ▶ Water and Wastewater Management

DELIVERING SUSTAINABLE COMPONENTS

- ▶ Sustainable Products
- ▶ Materials Sourcing and Efficiency
- ▶ Supply Chain Management
- ▶ Product Quality and Safety
- ▶ 2025 Supplier Quality Awards

MANAGING OUR BUSINESS

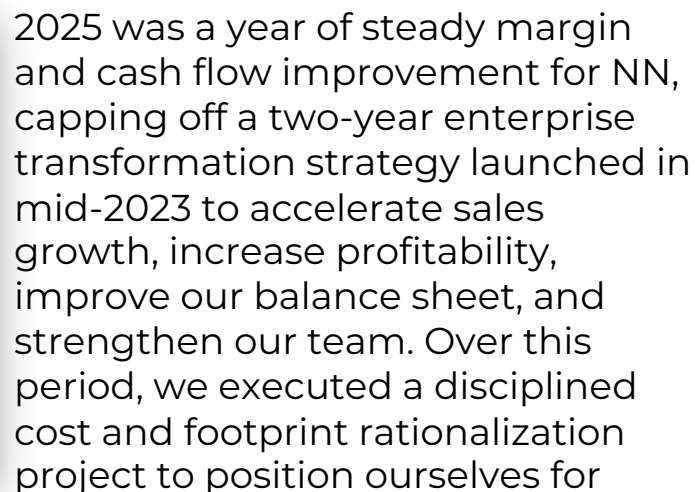
- ▶ Board of Directors Oversight
- ▶ Governance and Business Ethics
- ▶ Compliance and Regulatory Management
- ▶ Enterprise Risk Management and Oversight
- ▶ Data Privacy and Security

CONCLUSION

- ▶ Summary of 2025 Activities
- ▶ A Note on Materiality



**BEYOND
RELIABLE.**



Our focus during this period was not solely on financials, however. Listening tours among sites and key customers continue to provide us with actionable feedback regarding what we do well and where we have opportunity to improve. Continuous improvement is part of our DNA, and we leverage it every day, in every site, to hone our problem-solving skills, fostering a positive culture and creating better outcomes for

In the spirit of continuous improvement, we also reassessed the quality, completeness, and consistency of our emissions reporting process. As a result, you will see that we have further refined our emissions performance tracking and identified a new base year for emissions performance comparisons. We have chosen to use 2023 as our base year, as it offers a more contemporary representation of our emissions profile, and results in a more reliable baseline for ongoing measurement. The data presented in this report has been updated using this new measurement methodology.

During the 2025 year, we were able to realize an emission reduction of approximately 26% versus 2024, only some of which can be attributed to revenue changes for the year (revenue was lower by approximately 9%). We credit this positive performance to our recent transformation, which included plant closures/idling and other cost-focused activities, while concurrently installing new equipment and

LETTER FROM OUR CEO, cont'd.

launching more profitable business aligned with key end markets. Our teams continue to explore how to leverage additional energy efficiency and waste-reduction projects to offset environmental impact as we grow, some of which you will read about in further sections of this report.

We are also proud of our investment in our people. In 2025, we delivered nearly 87,000 hours of training across safety, quality/audit, and job-specific topics. Our team works hard together, celebrates achievements together, and continues to take actions that positively affect NN's culture. In this section, you'll see photos from our Wuxi, China plant's twentieth anniversary in 2025—a milestone that is certainly worth celebrating.

As we seek to be the best stewards we can be of the resources entrusted to us, we continue to strive to make our facilities



safer and more efficient, and our culture more diverse and inclusive. We are excited to be at the point in our transformation story where we are funding exciting growth initiatives alongside our ongoing continuous improvement and sustainability activities.

We are proud of our history as a leading manufacturer of complex, tight-tolerance, system-critical components for a diversified and global customer base—but we are even more excited for our future. With growing end markets like data center, electrical and grid, medical, aerospace and defense, and high-value vehicle parts, it's an exciting time to be at NN.

Regards,

Harold Bevis, President and CEO

**NN
OVERVIEW**

**SUSTAINABILITY
STRATEGY**

**PRIORITIZING
PEOPLE**

**OPERATING
SUSTAINABLY**

**SUSTAINABLE
COMPONENTS**

**MANAGING
OUR BUSINESS**

**LOOKING
FORWARD**



MISSION

To provide high-quality products and superior customer service that continuously exceed our customers' expectations while providing enhanced value for our stakeholders



VISION

To be the leading manufacturer of high-performance precision components



CORE VALUES

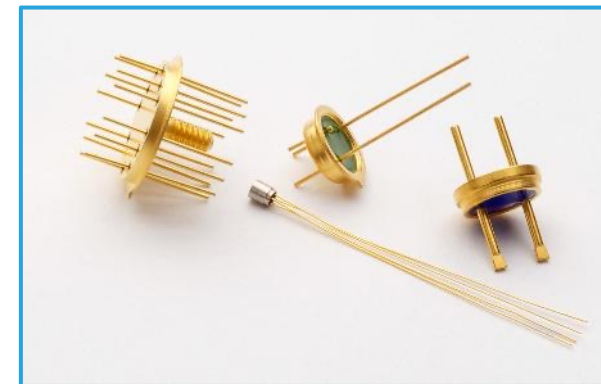
- ▶ To demonstrate ethical behavior in every aspect of our business
- ▶ To ensure a safe and inclusive work environment for our employees where diversity is welcomed
- ▶ To empower employees to do their best by recognizing innovation and superior performance
- ▶ To promote personal responsibility at every level
- ▶ To serve as a good corporate citizen in the communities in which we operate
- ▶ To invest in our customers' success

WHO WE ARE

A full-service manufacturing solutions partner, NN provides a broad range of high-precision metal components and assemblies to the data center, electrical and grid, medical, aerospace and defense, and high-value vehicle parts markets.



As a diversified industrial manufacturer, NN's extensive technology platform consists of high-precision machining, progressive stamping, laser welding, material science, assembly, and design optimization.



NN is publicly traded (NASDAQ: NNBR), with 2025 revenues of \$422M. Based in Charlotte, North Carolina, NN employs more than 2,500 employees across North America, South America, Europe, and Asia who proudly serve customers around the world.



In-house tool design and process expertise enable consistent production tolerances of less than one micron while producing millions of parts per day, giving NN an unparalleled ability to co-design and repeatably manufacture products to meet each customer's unique needs.

OUR GLOBAL FOOTPRINT

8

2,500+

EMPLOYEES
WORLDWIDE

27

STATE-OF-
THE-ART
FACILITIES

4

CONTINENTS

2B+

PARTS
PRODUCED
ANNUALLY



NORTH AMERICA

Mexico

United States

Illinois
Massachusetts
Michigan
North Carolina*
Ohio

SOUTH AMERICA

Brazil

ASIA

China

EUROPE

France
Germany†
Poland

† Sales Office
* Corporate Office

NN
OVERVIEW

SUSTAINABILITY
STRATEGY

PRIORITIZING
PEOPLE

OPERATING
SUSTAINABLY

SUSTAINABLE
COMPONENTS

MANAGING
OUR BUSINESS

LOOKING
FORWARD

NN
OVERVIEW

**SUSTAINABILITY
STRATEGY**

PRIORITIZING
PEOPLE

OPERATING
SUSTAINABLY

SUSTAINABLE
COMPONENTS

MANAGING
OUR BUSINESS

LOOKING
FORWARD

HISTORY

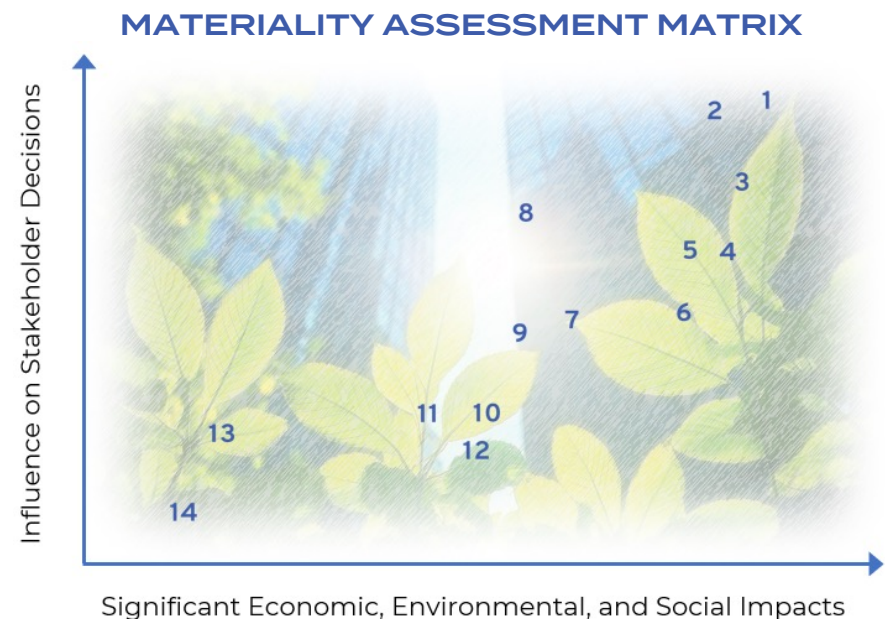
In 2021, we engaged formally with stakeholders utilizing the framework and assessment topics of the Task Force for Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) to develop our global sustainability strategy. The Company established four pillars that serve as the foundation for our ongoing sustainability strategy: Prioritizing People, Operating Sustainably, Delivering Sustainable Components, and Managing Our Business.

In developing this sustainability strategy, we conducted a comprehensive materiality assessment to identify our most significant economic, environmental and social impacts. We engaged with employees, members of the NN, Inc. Board of Directors, customers, shareholders and community groups to determine the topics most important to our stakeholders. This information was assessed utilizing materiality topics of established industry frameworks such as SASB, TCFD and UN Sustainable Development Goals and reviewing sustainability trends within our industry.



PRIORITIZING PEOPLE	OPERATING SUSTAINABLY	DELIVERING SUSTAINABLE COMPONENTS	MANAGING OUR BUSINESS
Continuously seeking to improve the health and well-being of our employees and the communities we serve	Serving as good stewards of the environment	Manufacturing sustainable, reliable precision products	Demonstrating ethical behavior in every aspect of our business
Employee Health & Safety	Climate Impact	Supply Chain Management	Governance & Business Ethics
Human Rights	Water & Waste Management	Product Quality & Safety	Management of the Legal & Regulatory Environment
Human Capital	Air Quality	Sustainable Products	Data Privacy & Security
Community Relations		Materials Sourcing & Efficiency	

Under the Governance Committee of the NN Board of Directors, we established the Sustainability Executive Council, which is led by our CEO and includes all senior executives. At the management level, we established the Sustainability Leadership Committee which includes representatives from each of the key functional areas within our organization. Together, these Sustainability Committees work together to execute NN’s sustainability strategy.



We conducted internal and external stakeholder interviews to gather insights on the most meaningful aspects of sustainability for this population. The results of this materiality assessment were used by the Sustainability Committees to determine our sustainability priorities. The material topics identified during this process enable our organization to focus on key activities and provide meaningful sustainability disclosures.

We plan to regularly review and revise these areas of focus to ensure continued fit as our business evolves and grows.

MATERIALITY ASSESSMENT

The materiality assessment consisted of the following steps:

- ▶ Identifying sustainability topics relevant to our business
- ▶ Identifying internal and external stakeholders for engagement
- ▶ Engaging with stakeholders to rate the importance of sustainability topics to both NN's business and stakeholder relationships

PRIORITIZING PEOPLE	OPERATING SUSTAINABLY	DELIVERING SUSTAINABLE COMPONENTS	MANAGING OUR BUSINESS
1 Employee Health & Safety	2 Climate Impact	7 Supply Chain Management	3 Governance & Business Ethics
4 Human Rights	6 Water & Waste Management	8 Product Quality & Safety	12 Management of the Legal & Regulatory Environment
5 Human Capital	11 Air Quality	10 Sustainable Products	13 Data Privacy & Security
9 Community Relations		14 Materials Sourcing & Efficiency	

- ▶ Prioritizing topics based on stakeholder feedback and business context
- ▶ Developing the materiality matrix indicating our findings

The matrix reflects our most significant economic, environmental, and social impacts, determined through an intentional and focused review of our business and engagement with our stakeholders.

For more information on how NN defines materiality for purposes of our sustainability program, please refer to the description at the end of this report.

STAKEHOLDER ENGAGEMENT

In addition to the materiality assessment exercise and in alignment with our continuous improvement philosophy, the Company engages regularly with key stakeholders in a variety of ways to ensure that we are exposed to diverse perspectives on business topics like sustainability.

Our CEO and COO regularly visit all Company locations and

engage with NN’s top global customers to solicit candid feedback on our Company, how we can work together more productively, and what we can do to further enhance our value as a trusted business partner.

Stakeholder Group	Engagement Methods
Employees	Internal communications and training Materiality assessment participant
Customers	Direct engagement Materiality assessment participant
Investors	Direct engagement Materiality assessment participant
Board of Directors	Materiality assessment participant Regular engagement via quarterly board/committee meetings
Suppliers	Direct engagement
Community Organizations	Materiality assessment participant Outreach and support activities

NN
OVERVIEW

SUSTAINABILITY
STRATEGY

**PRIORITIZING
PEOPLE**

OPERATING
SUSTAINABLY

SUSTAINABLE
COMPONENTS

MANAGING
OUR BUSINESS

LOOKING
FORWARD

PRIORITIZING PEOPLE

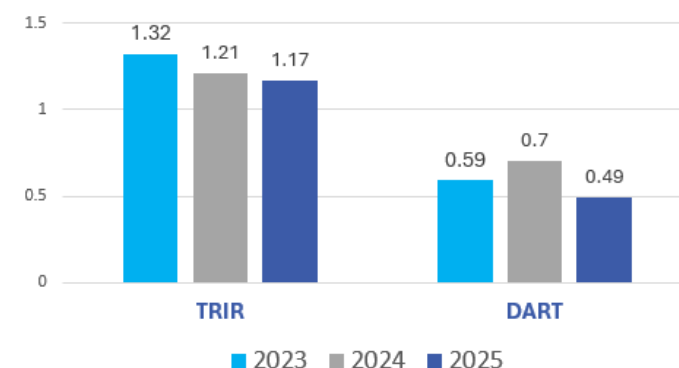
Our employees, their families, and the communities in which we operate are at the heart of everything we do. We acknowledge and embrace our duty as a Company to create a safe, inclusive work environment, fostering a workplace culture that empowers every member of the NN team to do their best work. Moreover, our policies and practices conform to the provisions of the United Nations (UN) Universal Declaration of Human Rights, and we look for ways to give back to the communities that our employees call home.

EMPLOYEE HEALTH AND SAFETY

At NN, we promote a continuous improvement mindset to keep employees healthy and safe, striving for zero occupational injuries and illnesses at every site, every day. We recognize that we all have a responsibility to maintain a safe working environment in compliance with applicable laws and regulations. When issues do occur, our reporting, treatment, and investigation procedures help return our team members to full health and duty quickly and help us develop safer practices as we move forward.

NN's goal continues to be to reduce injury rates by 10% each year for both Total Recordable Incidence Rate (TRIR) and Days Away, Restricted, or Transferred rates (DART). In 2025, we achieved the goal relative to days-away case rates, but did not reach the total recordables reduction target. However, we reduced total recordables again in 2025 versus the prior year. Both TRIR and DART performance continue to be a focus for our sites, and remain strongly favorable as compared to industry average, with no fatalities and multiple sites reporting zero recordables for the year.

**TOTAL RECORDABLES AND
DAYS AWAY CASE RATES, 2023-2025**



PRIORITIZING PEOPLE, cont'd.

We believe that our facilities' strong safety focus—including root cause analysis, kaizen, and continuous improvement activities—is the key to uncovering and addressing the underlying causes of workplace injuries and illnesses.

One of the tools we developed in-house is a root cause analysis (RCA) program that focuses on safety. This program, based on the 8D problem solving model commonly used in the automotive industry, is a structured approach to identify, correct, and eliminate recurring issues. The 8D RCA, which was piloted in 2020 and has been in place at all sites since 2022, provides more efficient health and safety monitoring, including both incidents and near misses. This proprietary system collects information on the incident, its root cause(s), corrective actions taken, and any additional actions required to prevent recurrences. NN continually seeks out opportunities to improve safety for all global team members.



PEOPLE AND CULTURE

NN is fortunate to have more than 2,500 engaged team members around the world, supporting a culture of respect, continuous improvement, and customer focus. Our employees receive competitive salaries and benefits packages, and our global human resources team regularly reviews wage rates to ensure employees are paid at or above the level required in each geography. Qualifications, performance, skills and experience are the basis for recruitment, hiring, placement, development, training, compensation and advancement at the Company.

In addition, NN maintains performance bonus programs, giving team members added incentive to work together to achieve success. Many sites also have individual employee recognition programs, such as service awards and employee-of-the-month programs.

PRIORITIZING PEOPLE, cont'd.

Additionally, sites may support causes important to their teams; for instance, our Brazil sites celebrate “Pink October” (see photo at right) and “Blue November” to highlight the importance of preventive health screenings, and our Poland site participates annually in the “Noble Box” initiative, providing care packages to community members in need.

Our labor practices reflect NN’s belief that employees deserve to be treated with respect and dignity; no forced labor, child labor, bonded labor, or human trafficking is tolerated in any of our global operations, and our suppliers and other third-party vendors must adhere to this standard themselves. Further, we promote an ethical work environment reflecting the core values of our Company, and we embrace the diverse social customs and cultural traditions of our team.

To ensure that employees have the information they need to succeed in their roles, NN conducts regular plant communications, group operating reviews, and town hall meetings led by senior leadership to discuss enterprise-level results and activities. Leadership invites questions from team members, which may be posed anonymously.



TRAINING PROGRAMS

One of the most important investments we can make is in our employees—providing training that helps employees work safely, behave compliantly, and develop skills to help them do their best work. In 2025, we recorded an average of 33 training hours per employee, primarily in the areas of job-specific skills, safety, and other required topics. These were delivered in a variety of ways—on the job, classroom-style, or virtual.

Included in these training hours is what NN calls its Learn and Earn Program. This program involves partnerships with local schools, providing apprenticeships and cooperative education opportunities for students interested in machining, manufacturing, and maintenance roles. The program operates in various forms based on the partner school and each participating site’s needs, allowing students to earn technical course credits or a degree while they work. This “learning in context” provides



skill paths that help employees develop relevant technical abilities through a combination of academic and on-the-job experiences. Participants can prepare for machinist, technician or degreed engineering roles in as few as two to five years.

Below are examples of how some of our programs are structured, from an apprenticeship earning a technical certificate while working full time to a co-op/internship culminating in the attainment of a four-year engineering degree.

	Apprenticeship	Advanced Mfg. Partnership	Co-op/Internship
Work or School	Work full-time (40 hours)	Attend school full-time (9-16 credits)	Attend school full-time (9-16 credits)
NN Provides	Employment plus one group class one day per week	Part-time employment three days per week	Full-time work every other semester (total of three 4-month rotations)
Program Timeframe	Two years	Six semesters	Two years; eligible after sophomore year
Credit or Degree Requirements	None; earn 27 articulated college credits after classroom hours completed	Must be pursuing a two-year degree (such as Tooling & Manufacturing Technologist)	Must be pursuing a four-year engineering degree

OUR WORKFORCE

NN is committed to promoting workplaces that are free from discrimination and harassment on the basis of race, sex, color, national origin, ethnicity, religion, age, physical or mental disability, sexual orientation, gender identification or expression, citizenship status, veteran status, marital status, genetic information, or any other status protected by law. We foster an ethical, safe, and inclusive workplace that results in business growth through increased innovation, retention of talent, and a more engaged workforce. Respect for human rights is fundamental to our business and to ethical conduct, as is the protection of rights for all people.

As a global Company, we strive to attract a broad pool of qualified talent, as we believe the unique viewpoints offered by a diverse team bring out the best in all of us. We assess our programs and processes as needed to ensure there is equal access to employment opportunities, including such things as training, advancement, and program participation. Further, NN aims to foster a culture where all are empowered to do their best work.



* NN employed 2,303 full-time and part-time employees in 2025

We compare our efforts to the gender diversity reported by the US Bureau of Labor Statistics' US Manufacturing segment. The BLS reported that females made up 29% of this population in 2025, consistent with its 2024 report. Overall, NN compares favorably, with 35% of all full-and part-time positions held by women globally. NN's percentage of female managers worldwide has increased slightly over the past year, at 24%.

PRIORITIZING PEOPLE, cont'd.



HUMAN RIGHTS

NN maintains a comprehensive Human Rights Policy, which addresses workplace discrimination, diversity, working conditions, and freedom of association. NN directors, officers, and employees are all expected to abide by this policy, irrespective of role or location, and contractors, vendors, and suppliers are expected to adhere to this standard themselves. It prohibits discrimination based on gender, race, ethnicity, national origin, disability, religion, sexual orientation, and gender identity/gender expression. In concert with this, we have a formal process for reporting concerns worldwide.

COMMUNITY AND TEAM ENGAGEMENT

Our teams organize and participate in local events and volunteer opportunities that develop and maintain strong relationships with our communities, while also creating treasured bonds for our teams and their families.



Some NN sites also sit on manufacturing advisory boards and participate in local and regional manufacturing events that offer training for current workers, share employment and enrichment opportunities, and introduce middle, high school, and college students and their families to the manufacturing industry and the wide range of career opportunities that are available at NN.

These partnerships allow students to explore the world

PRIORITIZING PEOPLE, cont'd.

of manufacturing while helping the Company attract the next generation of talent. Some of the student-focused community events the NN team supported in 2025 include such programs as:

Discover Manufacturing Week: An initiative that aims to dispel misconceptions about manufacturing, the event works with local manufacturers who offer facility tours, host open houses, and more. The event regularly brings over 200 students to NN's Kentwood, Michigan site.

High School Work-Based Learning: Work-based learning combines classroom learning and practical, hands-on experience in a business or community organization. NN regularly hosts students onsite to gain real-world experience with engineering activities such as CAD drawing, machine maintenance, and programming.

Our Kentwood, Michigan facility also hosts a **scholarship program** in partnership with Grand Valley State University.



**NN
OVERVIEW**

**SUSTAINABILITY
STRATEGY**

**PRIORITIZING
PEOPLE**

**OPERATING
SUSTAINABLY**

**SUSTAINABLE
COMPONENTS**

**MANAGING
OUR BUSINESS**

**LOOKING
FORWARD**

At NN, our approach to operating sustainably includes implementing policies and taking measures designed to ensure that we operate responsibly while minimizing our impact on the environment. These efforts are championed by our senior leadership team, guided by a cross-functional Sustainability Leadership Committee, and actioned throughout the Company by our global site teams.

CLIMATE IMPACT

NN’s climate impact assessment includes Scope 1, Scope 2, and limited Scope 3 categories, such as fuel and energy-related activities and waste generated. Expressed in metric tons of CO₂ (MT CO₂e), our emissions are summarized in the table at right, by category.

Following a reassessment of data quality, completeness, and reporting consistency, we established 2023 as our base year for future emissions performance tracking. The 2023 inventory reflects enhanced data availability and a more comprehensive representation of our emissions profile, resulting in a more reliable baseline for measuring emissions

performance and tracking progress toward future emissions reduction objectives. Unless otherwise noted, emissions data presented in this report are measured against the 2023 year.

	2023	2024	2025
Scope 1 Direct Emissions			
Stationary Combustion	6,173	4,845	3,518
Mobile Sources	456	338	296
Refrigeration, A/C Equipment, Fire Suppression	242	455	94
Purchased/Released CO ₂	N/A	N/A	N/A
Scope 2 Indirect Emissions			
Purchased and Consumed Electricity (location-based)	36,008	35,673	29,865
Purchased and Consumed Electricity (market-based w/residual factors)	37,334	39,619	30,476
Purchased and Consumed Steam	0.4	0.3	0.2
Scope 3 Emissions			
Fuel and Energy-Related Activities	11,142	9,595	3,936
Waste Generated in Operations	4,412	4,702	3,504
Total Company Emissions	58,433	55,608	41,213
Scope 1, Scope 2 (location-based), and Scope 3			

Totals above have changed from what was reported previously, due to the data reassessment process described in this section. The base year data and all subsequent data have been updated to reflect the current assessment methodology.

As part of our sustainability strategy, we recognize the need to reduce our own energy and water use, and to the extent feasible, minimize or eliminate the use of certain chemicals and non-recyclable materials in our products. Despite continued installation and qualification of new machines and the addition of processes supporting new product launches in 2025, our emissions were lower than those in 2024 by approximately 26%, with sales being down by just 9%. Reductions are primarily attributable to manufacturing footprint consolidation (plant closures and idling) and Company-wide continuous improvement efforts.

We are committed to responsible environmental management practices at every site worldwide and promote a culture of working together for a more sustainable world. To that end, we strive to identify both conventional and innovative projects to maximize energy efficiency, responsibly manage chemical use, and improve waste, water, and air quality outcomes.

By conserving energy or utilizing renewable energy sources, we can reduce greenhouse gas (GHG) emissions, which

benefits both Company profitability and helps create a greener future. Some of these activities include:

- ▶ Increasing tool and machine efficiency to make higher quality parts more quickly, reducing overall energy usage
- ▶ Converting conventional light bulbs to more energy-efficient LED bulbs
- ▶ Utilizing alternate chemicals or new processes for wastewater treatment, mist collection, and oil recycling, particularly when they result in lower energy usage, less waste generation, and/or greater efficiency

Every site promotes continuous improvement activities that are meaningful for the site, customers, and the community. Our Brazil operations developed an ongoing program called “Make it Easier,” a structured initiative to accelerate improvement projects, encourage employee engagement, and simplify daily operations through practical solutions developed by cross-functional teams. Focused on operational efficiency and problem-solving, the program strengthens our continuous improvement culture and supports a more efficient and sustainable operation.

A sampling of 2025 activities worldwide is shown below and on the following pages, across several sustainability dimensions:

Location	Est. Annual Reduction	Project Description	Project Overview/Goal
Brazil	500K Liters	Wastewater Treatment Optimization <i>(see details on p. 26)</i>	Replaced aluminum sulfate with polyaluminum chloride (PAC), reducing chemical usage; improved process stability and contaminant removal
China	600K kWh	Cutting Oil Improvement	Successfully validated a more environmentally-friendly and cost-effective cutting oil
		Energy Conservation Projects – Equipment	A series of energy-saving measures to expand available power capacity, freeing up more electricity to support new business growth
France	130K kWh <i>(reflects 2025 savings only)</i>	Air Leak Project	Ongoing program to identify/repair/eliminate leaks
		LED Lighting Upgrades	This five-year project to replace all plant lighting with energy-efficient LEDs is now complete
Mexico	100K Liters	Wastewater Treatment Project	Project cleans and reuses soapy water onsite; plant now gets multiple uses from water under program
Poland	N/A	Optimize Bar Feed	Change process to improve bar utilization, resulting in an additional part produced per bar
		Polishing Media Change	Innovative solution proposed by an employee uses a more environmentally-friendly medium (string) versus an abrasive belt or grinding wheel
USA	55K Gallons	Chemical Usage Reduction	Project to identify when mineral spirits need replacing on the basis of efficacy, rather than on a time-based interval; year-over-year savings 25%

WASTE AND HAZARDOUS WASTE RECYCLING

Our recycling programs focus first on tracking and reducing the amount of scrap generated; if we cannot reduce or eliminate it, we sell the scrap that can be recycled so it may be used again elsewhere.

We employ strict identification, treatment/recovery, and transport processes for our hazardous waste, which includes onsite management and recycling for certain solvents and offsite treatment and disposal for other chemicals and materials.



Additionally, our teams are trained regularly in the safe handling and proper disposal of chemical substances, as well as in their containment in the event a spill occurs.

AIR QUALITY

Maintaining safe air quality levels is more than a regulatory requirement; for us, it reflects our values of serving as a good corporate citizen in the communities where we operate and ensuring a safe work environment for our employees. Key actions we take to maintain or improve air quality include the following:

- ▶ Phasing out chemicals, acids, and volatile organic compounds (VOCs) where possible, replacing them with alternatives that are safer, yet equally effective
- ▶ Utilizing chemical testing protocols that test chemicals only when they are to be used, reducing both overall use and quantities stored onsite
- ▶ Utilizing a system to manage chemicals brought onsite at our plating facility, which helps ensure that we are compliant with chemical quantities and reliably operating within air permit limits
- ▶ Utilizing mist collectors where appropriate

WATER AND WASTEWATER MANAGEMENT

A focused water and wastewater management process helps NN do its part to ensure a sustainable water supply and maintain healthy aquatic ecosystems, all while saving both energy and money. Our operating sites work to minimize or eliminate unnecessary water usage and the creation of wastewater, wherever possible. Some of these actions include:

- ▶ Improving the capacity of onsite wastewater treatment equipment
- ▶ Assessing processes that use water to determine feasibility of onsite treatment and reuse
- ▶ Implementing a water consumption control process, so that leaks are caught and corrected quickly
- ▶ Assessing and replacing water-intensive machines with more efficient equipment
- ▶ Optimizing equipment to conserve water and reduce wastewater during processes
- ▶ Training employees to employ water-saving strategies

Improvement Project: Wastewater Treatment Optimization • Brazil

In 2025, the Brazil operations implemented improvements to the Unit 1 Wastewater Treatment Plant, aimed at increasing treatment efficiency and reducing environmental impact.

Key Actions:

- ▶ Replaced aluminum sulfate with polyaluminum chloride (PAC) in the wastewater treatment process
- ▶ Installed oil separators
- ▶ Optimized treatment parameters to improve process stability and contaminant removal

Benefits Achieved:

- ▶ Improved treatment efficiency
- ▶ Enhanced oil removal and overall effluent quality
- ▶ Reduced sludge generation and chemical consumption
- ▶ Increased operational stability and environmental performance



NN
OVERVIEW

SUSTAINABILITY
STRATEGY

PRIORITIZING
PEOPLE

OPERATING
SUSTAINABLY

**SUSTAINABLE
COMPONENTS**

MANAGING
OUR BUSINESS

LOOKING
FORWARD

SUSTAINABLE PRODUCTS

NN recognizes that our future success depends on accelerated penetration into key growth markets, particularly in the electrical grid, data center, and medical industries. These opportunities allow us to collaborate with our customers and suggest ways to enhance product manufacturability, efficiency, and cost through material selection, scrap reduction, recyclability, shipping requirements, and other key parameters.

Many of these initiatives inherently contribute to our sustainability goals. As part of our 2030 strategic plan, we are strategically broadening our portfolio to include higher growth, sustainability-oriented markets—including electrical, data center, aerospace and defense, electric vehicles (EV) and universal automotive applications serving all propulsion types. Collectively, these expansion efforts are helping to shift our business toward markets that are more sustainable and focused on the future.

These efforts put our organization in a strong position to

meet the needs of global customers across a diversified portfolio, ensuring NN's continued success as we further innovate and develop solutions that are better for the planet.



MATERIALS SOURCING AND EFFICIENCY

NN is committed to the responsible sourcing of raw materials and to promoting transparency throughout its global supply chain. NN requires suppliers, as applicable, to provide Certificates of Conformance and country-of-origin information for delivered materials and supports responsible sourcing practices across its supplier network.

In accordance with Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the applicable SEC Conflict Minerals Rule, NN conducts due diligence regarding the source and chain of custody of tin, tantalum, tungsten, gold, and certain other minerals used within its supply chain. NN also expects suppliers to communicate these responsible sourcing requirements throughout their own supply chains and maintain appropriate due diligence processes.

To support these efforts, NN utilizes an independent third-party service provider to collect, analyze, and assess supplier Conflict Minerals Reporting Templates (CMRTs) and Extended

Minerals Reporting Templates (EMRTs). Data obtained through this process is evaluated to identify potential sourcing risks and support supply chain transparency.

When potential sourcing concerns are identified, NN works collaboratively to obtain additional information, review corrective actions, and promote responsible sourcing practices. This assessment process is conducted annually as part of NN's ongoing commitment to sustainability, ethical sourcing, and supply chain risk management.



SUPPLY CHAIN MANAGEMENT

The success of NN’s business depends not only on its direct operations, but also on the performance, integrity, and sustainability of its global supply chain. NN seeks to partner with suppliers that share its commitment to ethical business conduct, responsible sourcing, regulatory compliance, and continuous improvement.

NN expects suppliers to operate in accordance with the Company’s Code of Conduct and Ethics and to comply with applicable laws and regulations governing responsible sourcing, human rights, labor practices, environmental responsibility, trade compliance, and supply chain transparency. NN’s Supplier Terms and Conditions and related supplier requirements are available through the Company’s website and serve as the foundation for supplier expectations.

NN utilizes a hybrid supply chain and procurement model that balances global sourcing opportunities with regional supplier engagement. This approach enables the Company to

leverage the scale, consistency, and competitiveness of global suppliers while maintaining regional supplier relationships where local support, responsiveness, and market conditions create strategic value.

Regional sites maintain policies and procedures addressing country-specific or regional requirements not covered by corporate standards. Suppliers are evaluated through a combination of supplier self-assessments, on-site audits, performance metrics, delivery and quality expectations, and supplier scorecards. NN also evaluates supply chain risks associated with supplier performance, compliance, sourcing practices, and business continuity.

When opportunities for improvement are identified, NN works collaboratively with suppliers to develop and implement corrective actions intended to strengthen performance, support compliance, and promote continuous improvement. Through these efforts, NN seeks to maintain a resilient, ethical, and sustainable global supply chain.

PRODUCT QUALITY AND SAFETY

At NN, product quality and safety are firmly rooted in our culture and drive accountability at all levels. If there is an anomaly or deviation that an employee believes will negatively impact product quality or safety, that employee is both empowered and expected to stop the production line.

We also build regular audits into the early stages of product development to ensure quality and safety from the start. We have a design process to assist us in achieving a goal of zero defects that seeks to eliminate variability and defects throughout the entire product lifecycle, and use a parts-per-million (PPM) indicator to monitor and track defects and set rigorous continuous improvement targets to help us achieve this goal. Our current certifications include the following:

- ▶ FDA: 1 site
- ▶ IATF 16949: 14 sites
- ▶ ISO 9001: 9 sites
- ▶ ISO 13485: 4 sites
- ▶ ISO 14001: 5 sites
- ▶ ITAR: 6 sites
- ▶ NADCAP AC7004: 1 site
- ▶ NADCAP AC7108: 1 site
- ▶ QATC 3003-2: 1 site



2025 SUPPLIER QUALITY AWARDS

NN consistently earns recognition from customers regarding product quality and delivery, emphasizing NN’s ability to deliver a broad range of high-precision products at high volume, with on-time delivery around the world.

- ▶ NN’s Wuxi, China plant was honored with DENSO’s **2025 Quality Excellence Award** in recognition of its outstanding quality management performance. The Wuxi plant has achieved five consecutive years of zero-defect deliveries, in alignment with DENSO’s rigorous quality standards.
- ▶ NN Europe was recognized as a driver of technology and competitiveness for its exhibit of a new manufacturing concept for seat and liftgate spindles at Brose’s **2025 Technology Day**. Brose is the world’s fourth-largest family-owned auto parts maker.

NN
OVERVIEW

SUSTAINABILITY
STRATEGY

PRIORITIZING
PEOPLE

OPERATING
SUSTAINABLY

SUSTAINABLE
COMPONENTS

**MANAGING
OUR BUSINESS**

LOOKING
FORWARD

We conduct every aspect of our business ethically, and we strive always to do the right thing. An ethical approach is the key to our sustainable future, and we have made our commitment to sustainability a priority throughout our Company. Employees at all levels of the organization are expected to uphold NN's ethical standards. This commitment to doing the right thing is integral to our success.

BOARD OF DIRECTORS OVERSIGHT

The Board and its Governance Committee are responsible for overseeing the strategy and policies related to sustainability. The executive leadership team provides updates to the Board on a quarterly basis regarding current sustainability activities.

Our Board recognizes that sustainability is important to long-term shareholder value and is committed to continued focus and appropriate disclosure on these matters. We strive to conduct business in a manner

that promotes the fair and just treatment of all people. We further acknowledge our potential impact on the environment and are committed to operating responsibly to help reduce that impact. In every aspect of our operations, we seek to conduct business in a way that reflects integrity and the high standards we have set for ourselves.

The Board's diverse experience, knowledge, and professional judgement allows NN to draw upon broader and deeper insights to achieve the Company's strategic objectives.



Our independent directors bring key expertise in the areas of aerospace and defense, automotive, leadership, strategic planning, M&A, and capital markets, and they regularly visit the Company's operating facilities to ensure connectivity with the many process technologies utilized and products manufactured across NN's global footprint.



The Board also performs regular governance and benchmarking reviews as part of its commitment to operate in alignment with best practices. It benchmarks across companies of similar size within the industry and considers opportunities to enhance efficiency, reduce costs, and improve governance practices to guide our management team and drive value creation for our shareholders.

2 OF 7 WOMEN ON THE BOARD

2 OF 7 MINORITIES ON THE BOARD

6 OF 7 DIRECTORS ARE INDEPENDENT

NN's commitment to conducting business with integrity is fundamental to our culture and long-term success. We expect all directors, officers, and employees to uphold high standards of ethical conduct, accountability, and compliance in every aspect of our operations.

Our Code of Conduct and Ethics provides the foundation for ethical decision-making across the organization and addresses key topics including business integrity, antitrust compliance, anti-corruption, conflicts of interest, cybersecurity, environmental stewardship, human rights, supply chain responsibility, international trade compliance, and compliance with applicable laws and regulations. The Code is reviewed annually and refreshed as appropriate to help ensure it remains aligned with evolving business risks, regulatory requirements, and stakeholder expectations.

To support a culture of transparency and accountability, NN maintains dedicated ethics hotlines in the local language of each country in which we operate manufacturing facilities.

These reporting channels are available 24 hours per day, seven days per week, and may be used anonymously where permitted by local law. Employees and other stakeholders are encouraged to report concerns regarding potential violations of law, Company policy, or ethical standards through the hotline, directly to the Audit Committee, or to members of management. NN prohibits retaliation against any individual who raises a concern or participates in an investigation in good faith.

The Board of Directors, with support from the Audit Committee, provides oversight of the Company’s ethics, compliance, and risk management activities. Through ongoing communication, training, and leadership engagement, NN reinforces its commitment to ethical conduct and encourages employees to speak up when concerns arise.

COMPLIANCE AND REGULATORY MANAGEMENT

As a global manufacturer serving customers in a variety of industries and regions, NN operates within a complex and

continually evolving legal and regulatory environment. We maintain compliance programs and processes designed to identify, assess, and address regulatory obligations while supporting responsible business practices and operational excellence.

During 2025, NN continued to strengthen its compliance framework through enhancements to several key programs. Building on existing export controls compliance activities, the Company further strengthened its International Traffic in Arms Regulations (ITAR) compliance program through enhanced governance, employee training, updated policies and procedures, designated compliance leadership, and facility-level technology control processes. These efforts support the protection of controlled technical information and reinforce compliance with applicable governmental requirements.

As described in the “Materials Sourcing and Efficiency” section, NN also strengthened its Conflict Minerals program through enhanced supplier engagement and improvements to data collection and reporting processes that support

responsible sourcing objectives and customer requirements.

The Company continues to monitor emerging regulatory requirements and evolving stakeholder expectations that may impact its operations, customers, and industry. NN regularly evaluates its compliance programs and processes to support effective risk management and regulatory compliance.

In addition, NN conducts periodic reviews and audits to help ensure compliance with applicable environmental, operating, and permitting requirements across its facilities. These activities also provide opportunities to share best practices and drive continuous improvement throughout the organization.

ENTERPRISE RISK MANAGEMENT AND OVERSIGHT

NN maintains an Enterprise Risk Management (ERM) process

designed to identify, assess, and manage risks that could affect the achievement of strategic objectives. The process is coordinated by the Compliance function and supported by senior business and functional leaders across the organization. Risk assessments consider a broad range of operational, financial, regulatory, cybersecurity, market, and

and strategic risks, helping management proactively evaluate emerging challenges and opportunities. Results are reviewed with executive leadership and presented annually to the Board of Directors.

The ERM process supports informed decision-making, resource allocation, and strategic planning by providing a consistent framework for evaluating risk across the enterprise. Through ongoing

risk monitoring and periodic reassessment, NN seeks to enhance risk awareness, support informed decision-making, and promote long-term value creation for customers, employees, shareholders, and other relevant stakeholders.



DATA PRIVACY AND SECURITY

NN operates an extensive data security program, which includes annual compliance audits and gap analyses against new and existing privacy legislation. We also take steps to ensure employees are equipped to identify email phishing and social engineering attempts. An independent third party conducts regular phishing drills and semiannual training for employees.

Employees who fail these drills must complete additional training. Through our data security program, we utilize recognized guidelines and maintain compliance with all applicable legislation in the locations in which we operate. NN uses NIST guidelines to strengthen its security program, while also following legislation such as the EU General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), China Personal Information Protection Law (PIPL), and the Brazilian General Data Protection Law (LGPD). We continually monitor and update our policies as new regulations and industry best practices develop. To spread awareness and facilitate continuing education for employees, we also periodically address data privacy and security topics during quarterly Company town hall meetings.



**NN
OVERVIEW**

**SUSTAINABILITY
STRATEGY**

**PRIORITIZING
PEOPLE**

**OPERATING
SUSTAINABLY**

**SUSTAINABLE
COMPONENTS**

**MANAGING
OUR BUSINESS**

**LOOKING
FORWARD**

CONCLUSION

SUMMARY OF 2025 ACTIVITIES

The results of our 2025 carbon footprint assessment suggest that we continue to balance sales growth and sustainability activities, positioning us to better focus on achieving **a 30% reduction in Scope 1 and Scope 2 emissions by 2030**, supported by the following activities across our four pillars:

Prioritizing People:

- ▶ Delivered nearly 87,000 hours of required and elective training content globally, including safety, quality, ethics, and cybersecurity topics.
- ▶ Participated in industry events to train current workers and offered co-op and internship opportunities to help introduce students and their families to manufacturing and the world of work.

Operating Sustainably:

- ▶ Implemented several facility-level energy initiatives, including energy efficiency upgrades through equipment, lighting, and energy conservation projects.
- ▶ Conducted waste initiatives related to improved recycling,

- optimized processes, and alternative chemical sourcing.
- ▶ Reduced wastewater sent offsite through projects that identified more water types for processing and reuse.

Delivering Sustainable Components:

- ▶ Continued expansion of our offerings into the data center, electrical and grid, medical, aerospace and defense, and high-value vehicle parts markets.
- ▶ Received an award in China for continued zero-defect performance, as well as customer recognition in Europe.

Managing Our Business:

- ▶ Reviewed board governance activities against market best practices and leveraged our Board's strategic expertise on relevant topics in key market segments.
- ▶ Strengthened NN's compliance framework through enhancements to several key programs, including ITAR and conflict minerals.
- ▶ Reviewed and deployed key policies to the global team, including the Code of Conduct and Ethics.
- ▶ Held semiannual cybersecurity training for all employees with Company email/system access.

A NOTE ON MATERIALITY

While certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations or the laws of any other jurisdiction. We use the definition of materiality established under U.S. federal securities laws for the purposes of complying with the disclosure rules and regulations promulgated by the U.S. Securities and Exchange Commission (SEC) and applicable stock exchange listing standards.

In this report and our other voluntary sustainability disclosures, we use broader concepts of materiality based on the subject matter and purpose of those disclosures. References in this report to "material," "materiality," "material topics," the "materiality assessment," the "materiality matrix," or similar terms describe the sustainability topics we have prioritized based on stakeholder input and on topics drawn from external frameworks and reporting guidelines, including the SASB Standards, the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and the UN Sustainable Development Goals. As a result, this report includes information that may not be, and is not required to be, included in our filings with the SEC.

Certain information in this report, including greenhouse gas emissions data, relies on a greater number and level of assumptions, estimates, and methodologies than our required disclosures, and in some cases on data provided by third parties. Unless expressly stated otherwise, this information has not been independently audited, verified, or assured. These assumptions, estimates, and methodologies are highly likely to change over time as the

quality and completeness of our data improve. Accordingly, we will likely refine, update, or recalculate information in future reports, including base-year or prior-period figures. NN undertakes no obligation to update or revise any information in this report, except as required by law.

This report contains forward-looking statements, including statements regarding our strategy, goals, objectives, and expected future performance. These statements are not guarantees of future performance and are subject to risks, uncertainties, and assumptions, many of which are beyond our control, that could cause actual results to differ materially from those expressed or implied.

The inclusion of information in this report, or the identification of any topic as significant, a priority, or "material" for purposes of our sustainability program, should not be construed as a characterization regarding the materiality or financial impact of that information for purposes of the U.S. federal securities laws or any other laws. For a discussion of risks that NN has determined could be financially material, please see "Item 1A. Risk Factors" and the "Note Regarding Forward-Looking Statements" in our most recent Annual Report on Form 10-K, as supplemented by our subsequent Quarterly Reports on Form 10-Q and other filings with the SEC.

This report is not, and should not be deemed to be, part of or incorporated by reference into any filing NN makes with the SEC. Website references and hyperlinks are provided for convenience only, and the content of referenced websites is not incorporated into this report.



BEYOND
RELIABLE.