



Tikkurila Oyj

Stock exchange release

10 May 2021 at 2.05 p.m. (EEST)

Members and Proposals of the Shareholders' Nomination Board of Tikkurila

With reference to the Charter of Tikkurila's Nomination Board adopted by the annual general meeting of the company, the Shareholders' Nomination Board of Tikkurila Oyj has been determined on the basis of the Company's shareholding on 30 April, 2021. The three largest shareholders in Tikkurila having right to appoint a representative to the Nomination Board were Oras Invest Ltd, PPG Industries, Inc. and Ilmarinen Mutual Pension Insurance Company.

The members of the Nomination Board have been appointed. The members of the Nomination Board are:

Annika Paasikivi, President & CEO (Oras Invest Ltd)

Joseph Gette, Assistant General Counsel (PPG Industries, Inc.)

Annika Ekman, Head of Direct Equity Investments (Ilmarinen Mutual Pension Insurance Company)

Expert member of the Nomination Board: Jari Paasikivi, Chairman of the Board of Directors (Tikkurila Oyj)

The Nomination Board has elected Annika Paasikivi to serve as the chair of the Nomination Board.

The Shareholders' Nomination Board of Tikkurila is an organ established by the General Meeting consisting of shareholders or representatives of shareholders to prepare and present proposals for the General Meeting concerning the number of the members, composition, the chairman and vice chairman, as well as remuneration of the Board of Directors.

The Nomination Board has considered the proposals to be made to the annual general meeting and resolved to make two separate proposals for Board composition and compensation. The ordinary proposal on Board composition and compensation would cover time from the annual general meeting until the earlier of (a) the end of the next years' annual general meeting or (b) such time that PPG Industries, Inc. and its subsidiaries have obtained more than ninety (90) percent of all the Shares and voting rights attached to the shares of Tikkurila and the subsequent registration of PPG Industries, Inc. or its subsidiary's right and obligation to redeem minority shares with the Finnish Trade Register. The second proposal on Board composition proposes to appoint conditionally new board members so that such appointments would become effective upon PPG Industries, Inc. having obtained more than ninety (90) percent of all Shares and voting rights attached to the shares of Tikkurila and the subsequent registration of PPG Industries, Inc.'s or its subsidiary's right and obligation to redeem minority shares with the Finnish Trade Register.

Proposals of the Nomination Board for a Term Commencing at the End of the Annual General Meeting to be held in June 2021

The Nomination Board has reasserted the proposals prepared and communicated by the previous Nomination Board on 29 January 2021 for the Board composition and remuneration for a term ending at the earlier of (a) the end of the next years' annual general meeting or (b) such time that PPG Industries, Inc. and its subsidiaries have obtained more than ninety (90) percent of all the Shares and voting rights attached to the shares of Tikkurila and the subsequent registration of PPG Industries, Inc's or its subsidiary's right and obligation to redeem minority shares with the Finnish Trade Register. This proposal is as follows:

The Nomination Board proposes to the Annual General Meeting that the remuneration of the members of the Board of Directors would remain unchanged and that the annual remuneration would be: EUR 64,000 for the Chairman, EUR 40,000 for the Vice Chairman of the Board of Directors and the Chairman of the Audit Committee, and EUR 32,000 for other members of the Board of Directors. The annual remuneration is paid fully in cash.

Furthermore, the Nomination Board proposes that a meeting fee paid to the members of the Board of Directors for each meeting of the Board and its Committees (excluding decisions without a meeting) would remain unchanged and be paid as follows: EUR 600 for meetings held in the home state of a Board member and EUR 1,200 for meetings held outside the home state of a Board member. If a member participates in a meeting via telephone or video connection, the fee would be EUR 600.

Travel expenses are proposed to be paid according to the travel policy of the Company.

The Nomination Board proposes to the Annual General Meeting that the present members Lars Peter Lindfors, Riitta Mynttinen, Jari Paasikivi, Andrey Pantyukhov, Catherine Sahlgren, Petteri Walldén and Heikki Westerlund would be re-elected for a term ending at the closure of the next annual general meeting, unless the conditional resolution becomes effective at an earlier date with respect to the term of any such Board members.

In addition, the Nomination Board proposes that Jari Paasikivi would be elected as the Chairman and Petteri Walldén as the Vice Chairman of the Board of Directors for a term ending at the closure of the next annual general meeting, unless the conditional resolution becomes effective at an earlier date with respect to the term of the Chairman or the Vice Chairman.

The representative of PPG Industries Inc. in the Nomination Board Joseph Gette did not participate in the decision making regarding this proposal on Board composition and remuneration.

Proposal on Conditional Board Remuneration and Composition

PPG Industries, Inc. has made a voluntary recommended public cash tender offer for all the issued and outstanding shares in Tikkurila (the "Shares") (the "Tender Offer"). The offer period under the Tender Offer commenced on 15th January 2021 and is pending on the date of this notice. Should PPG Industries, Inc. and its subsidiaries obtain more than ninety (90) percent of all the Shares and voting rights attached to the Shares, PPG Industries, Inc. or a subsidiary of PPG Industries, Inc. intends to initiate mandatory redemption proceedings under the Finnish Companies Act in order to acquire title to all the Shares.

As it is likely that PPG Industries, Inc. and its subsidiaries will become the holder of more than ninety (90) percent of all the Shares in the Company before the next Annual General Meeting, at the request of PPG Industries, Inc. the Nomination Board proposes that the Annual General Meeting resolves conditionally on a new composition for the Board. This resolution of the Annual General Meeting would thus be conditional and become effective upon PPG Industries, Inc. and its subsidiaries obtaining more than ninety (90) percent of all the Shares and voting rights attached to the Shares and the subsequent registration of PPG Industries, Inc.'s right and obligation to redeem minority shares with the Finnish Trade Register.

Conditional election of members, Chairman and Vice Chairman of the Board of Directors:

The Nomination Board proposes at the request of PPG Industries, Inc. to the Annual General Meeting that Michael McGarry, Timothy Knavish, Laura Alvarez, Emmanuelle Guérin, Steven Pocock, Rocco Semeraro and Ramaprasad Vadlamannati would be elected as new members, and that of these Michael McGarry would be elected as the Chairman and Timothy Knavish as the Vice Chairman of the Board of Directors, such resolution being conditional upon PPG Industries, Inc. and its subsidiaries obtaining more than ninety (90) percent of all the Shares and voting rights attached to the Shares and the subsequent registration of the right and obligation of PPG Industries, Inc. or of its subsidiary to redeem minority shares with the Finnish Trade Register. The term of the proposed members, Chairman and Vice Chairman would commence upon the registration of the right and obligation to redeem minority shares, and end at the closure of the next annual general meeting.

The representative of Ilmarinen in the Nomination Board Annika Ekman did not participate in the decision making regarding this conditional proposal on Board composition and remuneration.

All the nominees have given their consent to the position. The English language biographical details of all persons conditionally proposed as members of the Board of Directors are available on the website of Tikkurila at <https://www.tikkurilagroup.com/agm-2021>.

Conditional resolution relating to the remuneration of the Board of Directors:

The Nomination Board proposes to the Annual General Meeting that there would not be any remuneration for the members of the Board of Directors appointed conditionally and whose term would commence upon PPG Industries, Inc. obtaining more than ninety (90) percent of all the Shares and voting rights attached to the Shares and the subsequent registration of PPG Industries, Inc.'s right and obligation to redeem minority shares with the Finnish Trade Register.

For more information:

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Sustainable Nordicness

Tikkurila is a leading Nordic paint company with expertise that spans decades. We develop premium products and services that provide our customers with quality that will stand the test of time and weather. We operate in seven countries and our 2,400 dedicated professionals share the joy of building a vivid future through surfaces that make a difference. In 2020, our revenue totaled EUR 582 million. The company is listed on Nasdaq Helsinki. Nordic quality from start to finish since 1862.

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