



Tikkurila Oyj

Stock Exchange Release

4 March, 2019 at 9.00 a.m. (CET+1)

Notice to the Annual General Meeting of Tikkurila

Notice is given to the shareholders of Tikkurila Oyj to the Annual General Meeting to be held on Thursday 11 April 2019 at 10.00 a.m. in Finlandia hall (Veranda 2), Mannerheimintie 13e, Helsinki, Finland. Entrances to Finlandia hall both from Mannerheimintie (entrance M4) and from Karamziniranta (entrance K4).

The reception of registrants and the distribution of voting tickets will commence at 9.00 a.m.

A. Matters on the agenda of the Annual General Meeting

At the Annual General Meeting, the following matters will be considered:

- 1. Opening of the meeting**
- 2. Calling the meeting to order**
- 3. Election of persons to scrutinize the minutes and to supervise the counting of votes**
- 4. Recording the legality of the meeting**
- 5. Recording the attendance at the meeting and adoption of the list of votes**
- 6. Presentation of the Financial Statements, the Consolidated Financial Statements, the Review of the Board of Directors, and the Auditor's Report for 2018**

Review by the CEO

- 7. Adoption of the Financial Statements and the Consolidated Financial Statements**
- 8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.33 per share will be paid for the year ended on December 31, 2018 and that the rest be retained and carried further in the Company's unrestricted equity. The proposed dividend totals approximately EUR 14.6 million, which corresponds to approximately 100 percent of the Group's net profit for 2018.

The dividend will be paid in two tranches. The first tranche of EUR 0.165 per share will be paid to a shareholder which is recorded at the record date for the payment of dividend on April 15, 2019 at the Company's shareholder register maintained by Euroclear Finland Oy. The proposed date of payment is April 24, 2019.

The second tranche EUR 0.165 per share will be paid in November 2019. The second tranche will be paid to a shareholder who is recorded at the record date for the payment of dividend at the Company's shareholder register maintained by Euroclear Finland Oy. The Board of Directors will decide at the meeting scheduled for October 28, 2019 the record date and the payment date for the second tranche. According to the current rules of the Finnish

book-entry system the record date would then be October 30, 2019 and the dividend payment date earliest November 6, 2019.

9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability

10. Resolution on the remuneration of the members of the Board of Directors

The Nomination Board proposes to the Annual General Meeting that the remuneration of the members of the Board of Directors would stay at the current level. The suggested annual remuneration would be as follows: EUR 64,000 for the Chairman, EUR 40,000 for the Vice Chairman of the Board and the Chairman of the Audit Committee, and EUR 32,000 for other members of the Board of Directors. Approximately 40 percent of the annual remuneration is proposed to be paid in Tikkurila Oyj's shares acquired from the market and the rest in cash. The shares would be directly acquired on behalf of the Board members within two weeks from the release of the business review for January 1 – March 31, 2019.

Furthermore, a meeting fee for each meeting of the Board and its Committees (excluding decisions without a meeting) would be paid to the members of the Board of Directors 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 remuneration would be EUR 600. Travel expenses would be paid according to the travel policy of the Company.

11. Resolution on the number of members of the Board of Directors

The Nomination Board proposes to the Annual General Meeting that the number of the members of the Board of Directors to be elected be six (6).

12. Election of members of the Board of Directors

The Nomination Board proposes to the Annual General Meeting that Riitta Mynttinen, Jari Paasikivi, Catherine Sahlgren, Petteri Walldén and Heikki Westerlund be re-elected to the Board of Directors and that Lars Peter Lindfors be elected as a new member. Harri Kerminen and Pia Rudengren have announced that they are not available for re-election. The term of the Board member lasts until the end of the next Annual General Meeting. All the nominees have given their consent to being nominated.

Lars Peter Lindfors (b. 1964), Doctor of Technology with Honors, MBA, serves as Senior Vice President - Technology and member of the Executive Committee in Neste Corporation. Previously, he has had several executive positions in Neste and Perstorp AB. He is also a Board Member in several foundations for technology and science. He is a Finnish citizen.

In addition, the Nomination Board proposes that Jari Paasikivi be elected as Chairman and Petteri Walldén as Vice Chairman of the Board of Directors.

The biographical details of the candidates for the Board of Directors are presented on the website of Tikkurila at www.tikkurilagroup.com/agm.

13. Resolution on the remuneration of the Auditor

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that the Auditor's fees be paid against an invoice approved by the Company.

14. Election of the Auditor

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that Ernst & Young Oy be elected as the Company's auditor for the term that ends at the end of the Annual General Meeting following the appointment. Ernst & Young Oy has informed that APA Antti Suominen will act as the principal auditor.

The Audit Committee states that its recommendation is free from any third-party influence and that there has been no requirement limiting the election of an external auditor to be complied with as defined in Article 16 Paragraph 6 of the Audit Regulation.

15. Authorizing the Board of Directors to decide on the repurchase of the Company's own shares

The Board of Directors proposes that the Annual General Meeting authorize the Board of Directors to decide upon the repurchase of a maximum of 4,400,000 of the Company's own shares with assets pertaining to the Company's unrestricted equity in one or more tranches. The proposed maximum aggregate amount of the authorization corresponds to approximately 10 percent of all the shares in the Company.

The authorization for repurchases of the Company's own shares is proposed to be carried out at the share's market price on Nasdaq Helsinki Ltd or in another marketplace the rules of which allow company to trade with its own shares. The authorization entitles the Board of Directors to repurchase the shares in a proportion other than that of the shares held by the current shareholders (directed repurchase). In repurchasing the Company's own shares, the Company may enter into derivative, stock lending, or other arrangements customary in capital market practice within the limits set by law and other regulations. In the repurchases, the Company will follow the rules and guidelines of the marketplace in which the repurchase is carried out regarding, among other factors, the determination of the repurchase price and the settlement and disclosure of trades.

The consideration payable for the repurchase of the shares shall be based on the market price of the Company's share on the securities market. The minimum consideration for the repurchase of the Company's own shares is the lowest market price of the share quoted during the authorization period and, correspondingly, the maximum price is the highest market price of the share quoted during the authorization period.

The shares may be repurchased to be used for financing or implementing possible mergers and acquisitions, developing the Company's equity structure, improving the liquidity of the Company's shares, or to be used for the payment of the annual fees payable to the members of the Board of Directors, or for implementing the share-based incentive programs of the Company. For the aforementioned purposes, the Company may retain, transfer, or cancel the shares. The Board of Directors would decide upon any other terms related to the repurchase of shares.

The repurchase authorization would be valid until the end of the next Annual General Meeting, however, no longer than until June 30, 2020.

This authorization would cancel the repurchase authorization granted by the Annual General Meeting to the Board of Directors on April 12, 2018.

16. Authorizing the Board of Directors to decide on the issuance of shares

The Board of Directors proposes that the Annual General Meeting authorize the Board of Directors to decide to transfer the Company's own shares held by the Company or to issue new shares in one or more tranches limited to a maximum of 4,400,000 shares. The proposed maximum aggregate amount of the authorization corresponds to approximately 10 percent of all the shares in the Company.

The Company's own shares held by the Company may be transferred and the new shares may be issued either against payment or without payment. New shares may be issued and the Company's own shares held by the Company may be transferred to the Company's shareholders in proportion to their current shareholdings in the Company or in deviation from the shareholders' pre-emptive right through a directed share issue, if the Company has a weighty financial reason for this, such as financing or implementing mergers and acquisitions, developing the Company's equity structure, improving the liquidity of the Company's shares, settling the payment of the annual fees payable to the members of the Board of Directors, or implementing the share-based incentive programs of the Company. Upon the issuance of new shares, the subscription price of the new shares shall be recorded in the invested unrestricted equity reserves. In the case of a transfer of the Company's own shares, the price payable for the shares shall be recorded to the invested unrestricted equity reserves.

The Board of Directors would decide upon any other terms and conditions related to the share issues. The authorization would be valid until the end of the next Annual General Meeting, however, no longer than until June 30, 2020.

This authorization would cancel the share issue authorization granted by the Annual General Meeting to the Board of Directors on April 12, 2018.

17. Amendment of the Charter of the Shareholders' Nomination Board

The Annual General Meeting of Tikkurila Oyj established, by its resolution on March 28, 2012, to the Company a Shareholders' Nomination Board. The duties and the Charter of the Nomination Board have been updated last due to a resolution of the Annual General Meetings on April 12, 2018. The Nomination Board prepares and presents proposals for the next Annual General Meeting concerning the Chairman, Vice Chairman and members of the Board of Directors as well as their remuneration.

According to Section 2 of the Charter of the Shareholders' Nomination Board, the Nomination Board shall be convened annually so that each of the Company's three largest shareholders registered as shareholders by the end of May preceding the Annual General Meeting in the shareholders register, be each requested to appoint one member to the Nomination Board.

The Board of Directors proposes that Section 2 of the Charter of the Shareholders' Nomination Board will be amended so that the three largest shareholders shall be those who are registered as shareholders in the shareholders register by the end of April preceding the Annual General Meeting.

18. Closing of the meeting

B. Documents of the Annual General Meeting

This notice, the proposals of the Board of Directors and the Nomination Board as well as the Financial Statements, the Consolidated Financial Statements, the Report of the Board of Directors and the Auditor's Report are available on the Company's website at

www.tikkurilagroup.com/agm as of March 8, 2019 at the latest. The proposals for decisions and the other above-mentioned documents will also be available at the Annual General Meeting. The minutes of the Annual General Meeting will be available on the above-mentioned website as of April 25, 2019 at the latest.

C. Instructions for the participants in the meeting

1. The right to participate and registration of the shareholders registered in the shareholders' register

Each shareholder who is registered on April 1, 2019 in the shareholders' register of the Company held by Euroclear Finland Ltd has the right to participate in the Annual General Meeting. A shareholder whose shares are registered on his/her personal Finnish book-entry account is registered in the shareholders' register of the Company.

A shareholder who is registered in the shareholders' register of the Company and who wishes to participate in the Annual General Meeting shall register for the meeting no later than April 8, 2019 at 4.00 p.m. by giving a prior notice of their participation, which shall be delivered to the Company by the above-mentioned date and time.

Such notice can be given:

- a) on the Company's website at www.tikkurilagroup.com/agm;
- b) by telephone at +358 (0)20 770 6885, from Monday to Friday at 9.00 a.m. to 4.00 p.m.; or
- c) by letter to the address Tikkurila Oyj, AGM, P.O. Box 53, FI-01301 Vantaa, Finland.

In connection with the registration, a shareholder shall notify his/her name, personal identification number or business ID, address, telephone number, and the name of a possible assistant, proxy representative or statutory representative, and the personal identification number of the proxy representative or statutory representative and willingness to receive text messages or emails concerning the Annual General Meeting, in which case also an email address is also to be notified. The personal data provided by the shareholder to Tikkurila Oyj is only used in connection with the Annual General Meeting and with the processing of related registrations.

The shareholder, his/her statutory representative or proxy representative shall, where necessary, be able to prove his/her identity and/or right of representation.

2. The right to participate and registration of the holders of nominee-registered shares

A holder of nominee-registered shares has the right to participate in the Annual General Meeting by virtue of shares based on which he/she would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Ltd on April 1, 2019. In addition, the right to participate requires that the shareholder, on the basis of such shares, has been temporarily registered in the shareholders' register held by Euroclear Finland Ltd on April 8, 2019 at 10.00 a.m. at the latest. With regard to nominee-registered shares, this constitutes due registration for the Annual General Meeting.

A holder of nominee-registered shares is advised to request well in advance from his/her custodian bank necessary instructions regarding the registration in the temporary shareholders' register of the Company, the issuing of proxy documents and registration for the Annual General Meeting. The account operator of the custodian bank has to register a



holder of nominee-registered shares who wants to participate in the Annual General Meeting in the shareholders' register of the Company temporarily by the time stated above.

3. Proxy representative and proxy documents

A shareholder may participate in the Annual General Meeting and exercise his/her rights at the meeting by way of proxy representation. A proxy representative shall present a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder. When a shareholder participates in the Annual General Meeting by means of several proxy representatives representing the shareholder with shares in different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the Annual General Meeting. Prospective proxy documents shall be delivered in originals to the address Tikkurila Oyj, AGM, P.O. Box 53, FI-01301 Vantaa, Finland by the registration deadline.

4. Other information

Pursuant to Chapter 5, Section 25 of the Finnish Companies Act, a shareholder who is present at the Annual General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice to the Annual General Meeting, March 4, 2019, the total number of shares in Tikkurila Oyj is 44,108,252 and each of the shares represents one vote.

The Annual General Meeting will be held in Finnish.

In Vantaa, March 4, 2019

TIKKURILA OYJ

The Board of Directors

For further information, please contact:

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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 around ten countries and our 2,700 dedicated professionals share the joy of building a vivid future through surfaces that make a difference. In 2018, our revenue totaled EUR 562 million. The company is listed on Nasdaq Helsinki. Nordic quality from start to finish since 1862.

www.tikkurilagroup.com