

TIKKURILA CONFLICT MINERAL POLICY

1. Compliance Commitment

During the past years, the political interest towards so called conflict minerals (known as ‘3TG’ – tantalum, tin, tungsten and gold) has resulted in introducing new legislation and guidance for companies dealing with the 3TG. As a result, many companies are now focusing on whether and to what extent their products contain conflict minerals and whether such conflict minerals come from conflict-free sources. This is to make sure the minerals and metals they are buying or selling are not funding armed groups or security forces in areas of conflict.

As an international corporation, Tikkurila Group (“Tikkurila”) has a global supply chain and its products are sold on a wide geographical scope. Tikkurila is committed to complying with all applicable laws, including laws and regulations related to so called conflict minerals, and therefore has established this Tikkurila Conflict Mineral Policy.

2. Roles and Responsibilities

Tikkurila’s Management Team has reviewed and approved the Policy and is responsible for ensuring that the Policy is effectively implemented and that adequate resources are provided for that purpose.

Tikkurila’s Sourcing function shall be responsible for developing and maintaining proportionate and adequate procedures for ensuring compliance with this Policy and related applicable legislation.

3. Rules Related to Conflict Minerals

3.1. EU Regulation 2017/821/EU

From the beginning of January 2021, a new regulation will come into force across the European Union – the Conflict Minerals Regulation 2017/821/EU. The Regulation requires EU companies in the supply chain to ensure they import these minerals and metals from responsible and conflict-free sources only. According to the Regulation, EU importers of Conflict Minerals are, among other obligations, required to comply with the supply chain due diligence obligations of OECD, as mentioned below and to comply with risk management and management system obligations specified in the Regulation.

3.2. OECD Due Diligence Guidance

Since 2011, the Organisation of Economic Co-operation and Development (OECD) – an intergovernmental economic body – has issued guidance on responsible sourcing for companies operating in its member countries. The OECD Due Diligence Guidance is referenced as the international standard to help companies carry out their obligations. The Guidance helps companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices.

4. Tikkurila As a Part of Conflict-Free Supply Chain

4.1. Supply Chain

As a manufacturer of paints and coatings and a potential downstream user of tantalum, tin, tungsten and gold, Tikkurila expects its suppliers to ensure appropriate due diligence in their sourcing practices in order to guarantee compliance with 2017/821/EU and any other applicable legislation.

Tikkurila is committed to ensuring the health, safety and protection of people who come into contact with our products and business. We require high social, environmental and human rights standards among our suppliers. Tikkurila fully supports applicable legislation and guidance related responsible sourcing of conflict minerals. In Tikkurila's Supplier Code of Conduct we demand that if parts or products supplied to Tikkurila contain tin, tantalum, tungsten or gold, the Supplier must ensure responsible sourcing of these materials by implementing a Conflict Minerals policy in compliance with 2017/821/EU that prohibits the purchase and use of minerals financing conflicts.

Managing our obligations in relation to conflict minerals is a part of this corporate responsibility. In addition, we are committed to engaging with our customers regarding their disclosure obligations. As a downstream user, we in co-operation with our suppliers and customers do our most to ensure that conflict minerals are not intentionally added in our products, packages or processes.

4.2. Actions

In order to comply with the legislation to conflict minerals:

- We expect our suppliers to comply with the requirements of our Supplier Code of Conduct
- We identify products, materials and suppliers related to the requirement
- We identify the countries of origin of our purchased parts or products
- We expect our suppliers to source materials from conflict-free sources
- We expect our suppliers to comply with the applicable legislation related to conflict minerals and to provide Tikkurila with the conflict minerals reporting template and any other necessary declarations / documentation related to conflict minerals and/or needed for compliance.

4.3. Measures

In working towards these commitments, we have taken a number of steps that include:

- Requiring our suppliers to implement a policy regarding conflict minerals and following their actions in conflict policy issues and if needed exercise due diligence to investigate the source of these minerals.
- Engaging with our suppliers so that they respond in a timely manner to our requests for evidence of compliance. Our suppliers' willingness to comply with this initiative will be a factor in our sourcing decisions.

Tikkurila Sourcing Function may introduce complementary instructions under this Policy.