

## **DECISION PROPOSALS TO THE ANNUAL GENERAL MEETING (THE “GENERAL MEETING”) OF TIKKURILA OYJ (“TIKKURILA” OR THE “COMPANY”) TO BE HELD ON JUNE 10, 2021**

### **Resolution on the use of the profit shown on the balance sheet and the payment of dividend** (agenda item 8)

Due to the ongoing tender offer for all the issued and outstanding shares of the Company by PPG Industries, Inc., the Board of Directors proposes that Tikkurila’s Annual General Meeting decides that no dividend be paid from the financial year 2020.

### **Adoption of the Remuneration Report for governing bodies** (agenda item 10)

The Board of Directors proposes that the Annual General Meeting adopts the Remuneration Report for the year 2020.

The Remuneration Report for the year 2020 is available on the Company’s website at <https://www.tikkurilagroup.com/agm-2021>.

### **Resolution on the remuneration of the Auditor** (agenda item 14)

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.

### **Election of the Auditor** (agenda item 15)

The Board of Directors proposes to the Annual General Meeting, on the recommendation of the Audit Committee, that the authorized public accountant firm Ernst & Young Oy be re-elected as the Company’s auditor for the term that ends at the end of the next Annual General Meeting. 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 the Audit Committee is not subject to compliance with any such clauses referred to in Article 16(6) of the Audit Regulation that restrict the election of a statutory auditor or audit firm.

### **Conditional resolution relating to the disbandment of the Nomination Board** (agenda item 17)

The Company has a Nomination Board consisting of shareholders or representatives of shareholders, which has been established by its Annual General Meeting on March 28, 2012 to

prepare and present proposals for the Annual General Meeting concerning the composition and remuneration of the Board of Directors.

Due to the ongoing the Tender Offer, the Board of Directors proposes to the Annual General Meeting that the Annual General Meeting decides to disband the Nomination Board, such resolution being conditional and becoming effective upon PPG Industries, Inc. or its subsidiary 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 its subsidiary to redeem minority shares with the Finnish Trade Register.

### **Authorizing the Board of Directors to decide on the repurchase of the Company's own shares**

(agenda item 18)

The Board of Directors proposes that the Annual General Meeting authorize the Board of Directors to decide upon the repurchase of a maximum 4,400,000 of the Company's own shares with assets pertaining to the Company's unrestricted equity in one or several tranches. The proposed maximum aggregate amount of the authorization corresponds to approximately 10 percent of all the shares in the Company at the time of the proposal. The repurchases of the Company's own shares based on the authorization are proposed to be carried out at the share's market price on Nasdaq Helsinki Ltd or in other marketplaces the rules of which allow company to trade with its own shares. The authorization entitles the Board of Directors to decide on the repurchase of 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 30th 2022. This authorization would revoke the repurchase authorization granted by the Annual General Meeting to the Board of Directors on 15th May 2020.

## **Authorizing the Board of Directors to decide on the issuance of shares**

(agenda item 19)

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 several 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 at the time of the proposal. 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 subscription 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 30th June 2022. This authorization would revoke the share issue authorization granted by the Annual General Meeting to the Board of Directors on 15th 2020.