



TIKKURILA

Tikkurila Sustainability

- a Colourful Tomorrow

NOVEMBER 2020



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Urbanization, consolidation and customer needs drive the industry



Impact on painting industry:

Increasing need for **efficiency and sustainability**

Increasing need for **premium products and functional solutions**

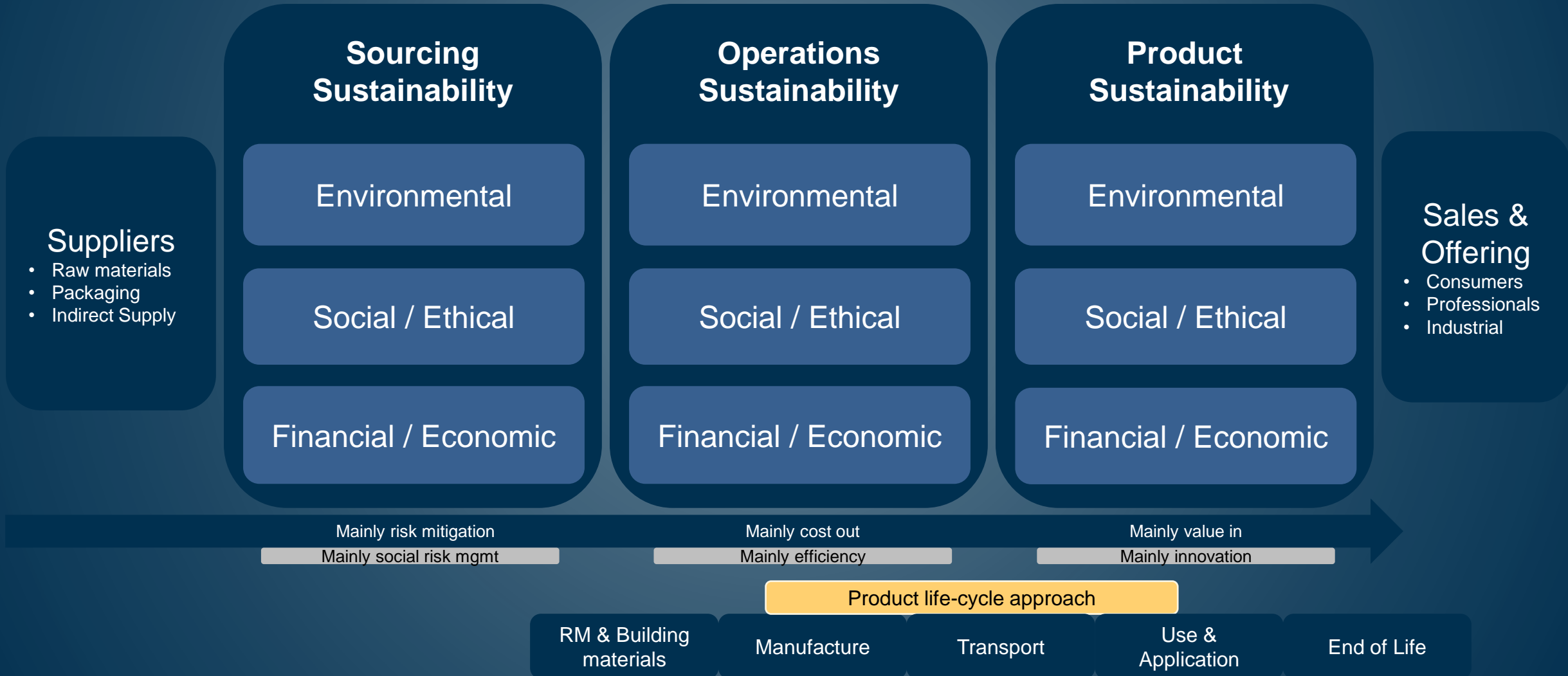
Increasing need for **understanding the customer**

Sustainability governance – Embedded in operations

- Tikkurila's sustainability program 'A colorful tomorrow', is built upon the significant sustainability aspects identified in the value chain.
- The sustainability aspects with corresponding actions have been integrated into the Group Strategy and the Strategy Execution Roadmap.
- A group-wide sustainability governance model is defined.
- Code of Conduct / House Rules.
- The ultimate responsible is CEO.



Key aspects of Sustainability in Tikkurila




Product Sustainability

The share of **water-borne** paints grows especially in decorative paints



SHARE OF **ECO-LABELED***

43%
(2019)

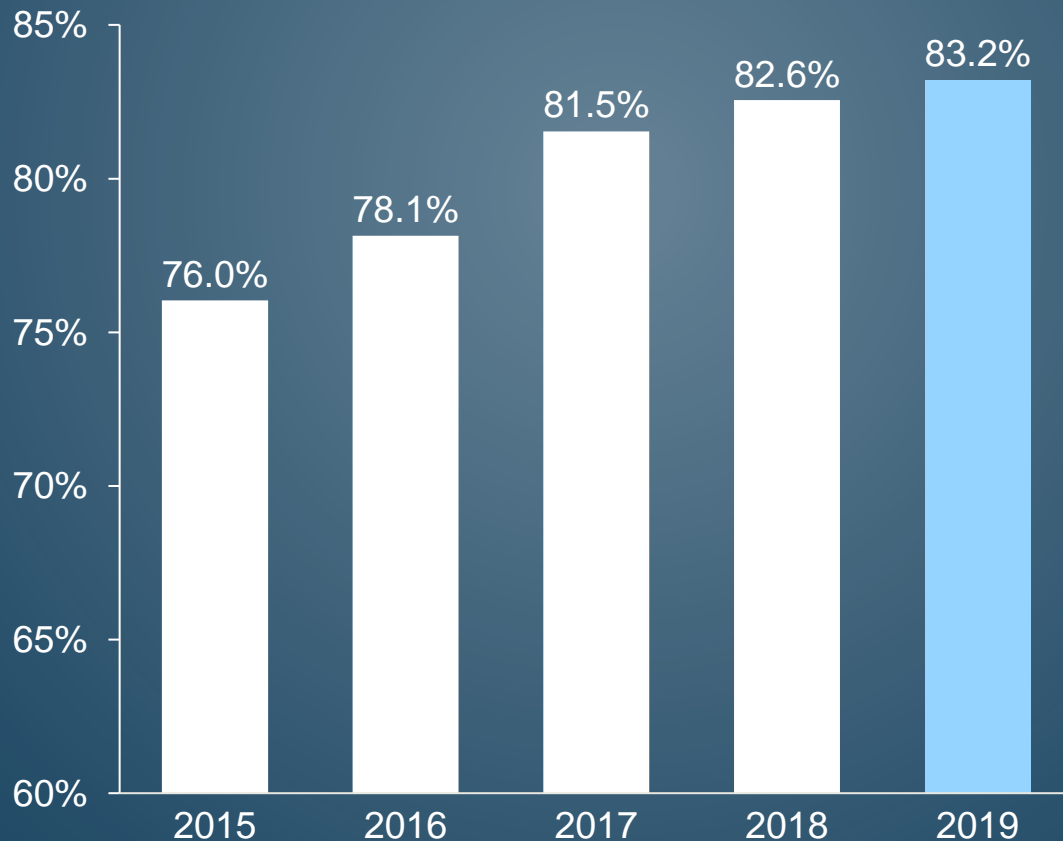


SHARE OF **WATER-BORNE***

83%
(2019)



The share of water-borne paints as a % of Tikkurila's revenue from decorative paints



* % of decorative paint revenue

Tikkurila has the largest number of eco-labeled products in our market areas

74 %

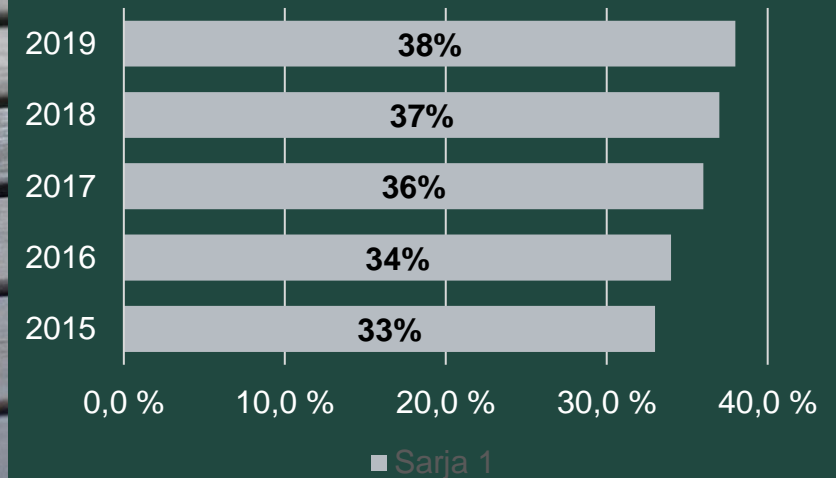
of produced paints were water-borne (in value 2019)

300+

Ecolabeled products* (2019)

*Products that have international or local ecolabels, allergy or asthma society labels or M1 classification.

Eco-labeled products, of value (%)



Functional products are a key growth driver for premium brands



Problem solvers

Mold prevention, anti-condensation, noise-damping, encapsulation of asbestos, stain blocking properties, adhesion promoter



Safety & health aspects

Anti-static coating, Hygienic coating, Anti-Slip, Fire protection



Energy saving & environmental aspects

Energy saving by IR-reflective coating, "NOx eater", self-cleaning

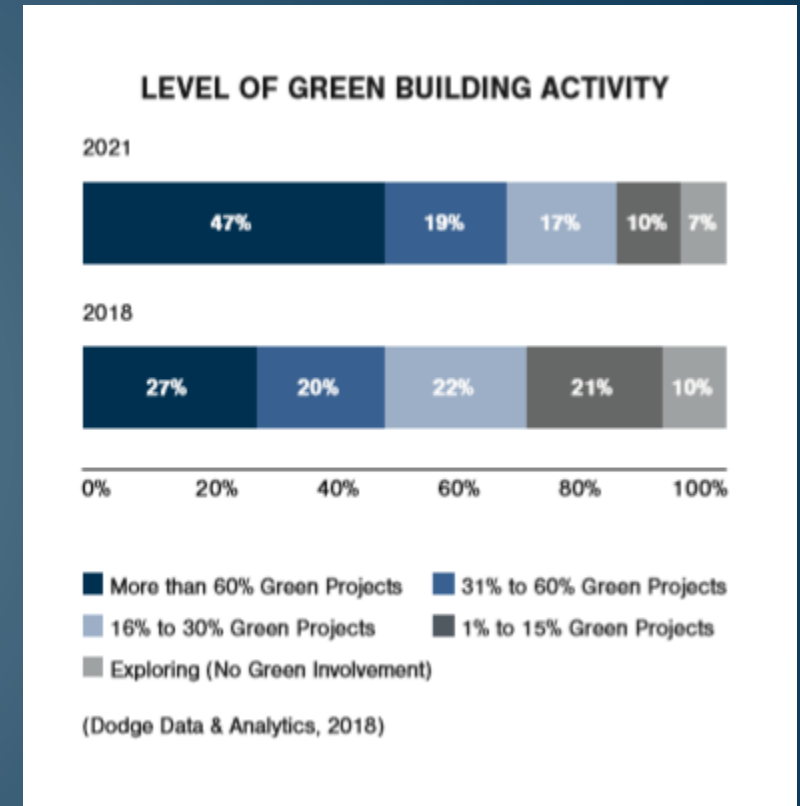


Decorative & functional properties

Magnetic properties, chalkboard paint, glow in the dark

Towards Green Buildings

- Buildings are responsible for 39% of global energy-related carbon emissions, with 28% coming from the “in use” phase – to heat, power and cool buildings.
- Green building criteria like BREEAM, LEAD, Nordic Swan and WELL are taking into consideration a broad set of environmental variables when assessing the green attributes and performance of buildings.
- Criteria require high performance of the indoor environmental air quality and use of materials that are non-toxic, ethical and sustainable.
- Tikkurila contributed to green building projects in Finland, Sweden, Norway, Poland, Lithuania and Russia.



Sourcing sustainability

Supplier Code of Conduct

- Tikkurila monitors and assesses suppliers on a regular basis through evaluation and auditing processes.
- Tikkurila requires suppliers and partners to operate in accordance with Tikkurila Code of Conduct and fulfill the requirements on quality, safety, environmental and social responsibility.
- Stipulated by legislative requirements as defined, for example, by the REACH, the CLP Regulation, national laws and regulations and different label schemes standard requirements.
- Around 5 supplier audits annually.



Tikkurila awarded a **silver rating** from EcoVadis: Tikkurila is among the **top 9%** of companies in this industry.

Press release August 8, 2020



Operations sustainability

Standardized production process at all major production sites

Tikkurila site	Quality ISO 9001	Environment ISO 14001	Safety OHSAS 18001
Vantaa, Finland	√	√	√
Debica, Poland	√	√	√
Nykvarn, Sweden	√	√	
Obukhovo, Russia	√	√	√
Utkin, Russia	√	√	√
Gamma, Russia	√		
Tallinn, Estonia	√	√	
Mytischki, Russia	√		
Utkina Zavod, Russia	√		

Production
eco-efficiency

Production
processes
standardized
according to
ISO9001,
ISO14001, Safety
OHSAS 18001

Safety first! Occupational Health and Safety

- Systematic approach according to OHSAS 18001
- 63% of all Tikkurila employees covered by a certified occupational health and safety management system.
- Committed to UN Guiding Principles of Human Rights.
- Complying with the occupational safety pyramid
 - Pre-emptive measures
 - Accidents (severe and less severe)
 - Target: zero accidents



Appendix

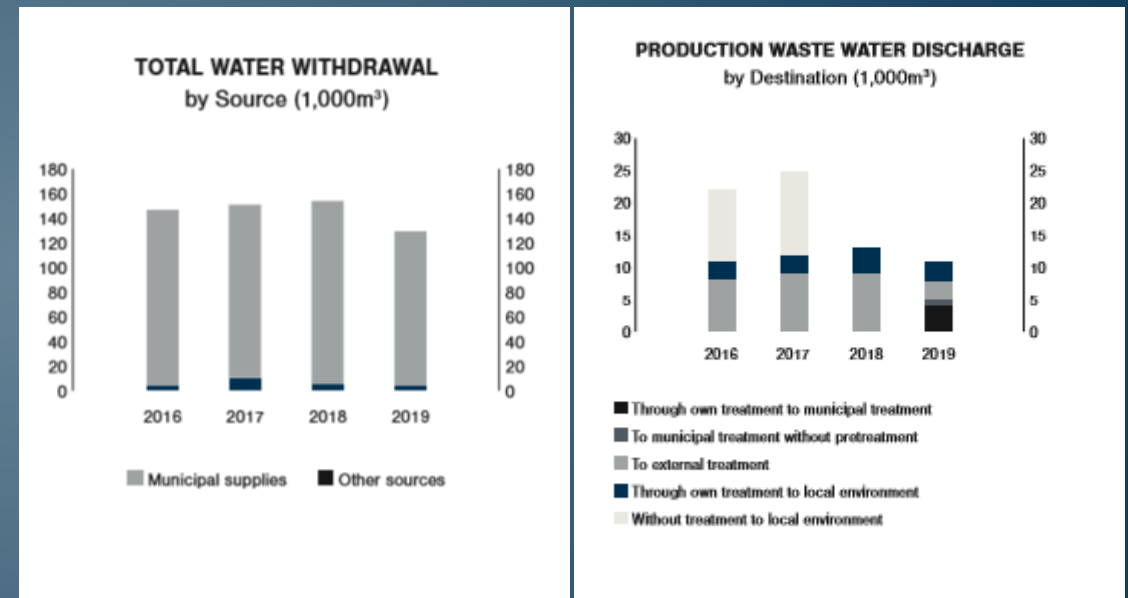
Increasing number of Eco-labeled products

Green building

	Label	Deco & Industrial	BREEM	LEED	Nordic Swan
Environmental label category 1	Nordic Swan	388	-	-	Fulfills requirements
	EU-Ecolabel	16	4	4	-
Allergy & Astma Association label	M1	175	152	165	
	Astma och allergiförbundet (SWE)	-	-	-	-
	Allergia, iho ja astmaliitto (FIN)	6	-	-	-
	Other National Allergy and Astma Associations	20	-	-	-
Other recognized labels	Other	9	-	-	-

Water and wastewater

- Water consumption is monitored, both incoming water and wastewater.
- Municipal supply of water.



Committed to Sustainability since 1992

- In 1992, the Vantaa site committed to the global Responsible Care program of the chemical industry.
- In 1996, Tikkurila was the first Finnish company, and the third paint company in Europe to have its Vantaa site registered in the EU Eco-Management and Audit Scheme (EMAS).
- For 2006 and 2007, Tikkurila produced a Corporate Social Responsibility report applying the GRI guidelines.
- In addition to Tikkurila's own group-level and site-specific reports, information concerning Tikkurila was also included in Kemira Oyj reporting in 1994–2009.
- At the beginning of 2010, the Tikkurila Group took into use a Corporate Responsibility program, with the central idea to help customers make sustainable choices.
- Since 2010, Tikkurila Group reports about its corporate responsibility in compliance with the GRI guidelines.
- In 2010–2014, Tikkurila's Corporate Responsibility report was compiled based on the GRI G3 guidelines.
- Since 2015, the report has contained Standard Disclosures from the GRI G4 Sustainability Reporting Guidelines. An independent third party has provided assurance on the economic, social and environmental performance indicators in the report.



Our strong values



Trustworthy



Innovative



Professional

Thank you!





” Tikkurila is a Nordic paint company whose products are manufactured of carefully chosen raw materials that meet the highest quality standards. Our purpose is to create sustainable Nordic quality surfaces that make a difference.

www.tikkurilagroup.com