

CODE OF CONDUCT



1. INTRODUCTION

Teknos is aware of its environmental, economic and social impacts and has written this Code of Conduct to describe this importance.

The Code of Conduct acts as a guideline for expected behaviour of our employees and suppliers, and it serves as a foundation for the way we conduct business, treat our employees and care for the environment and society.

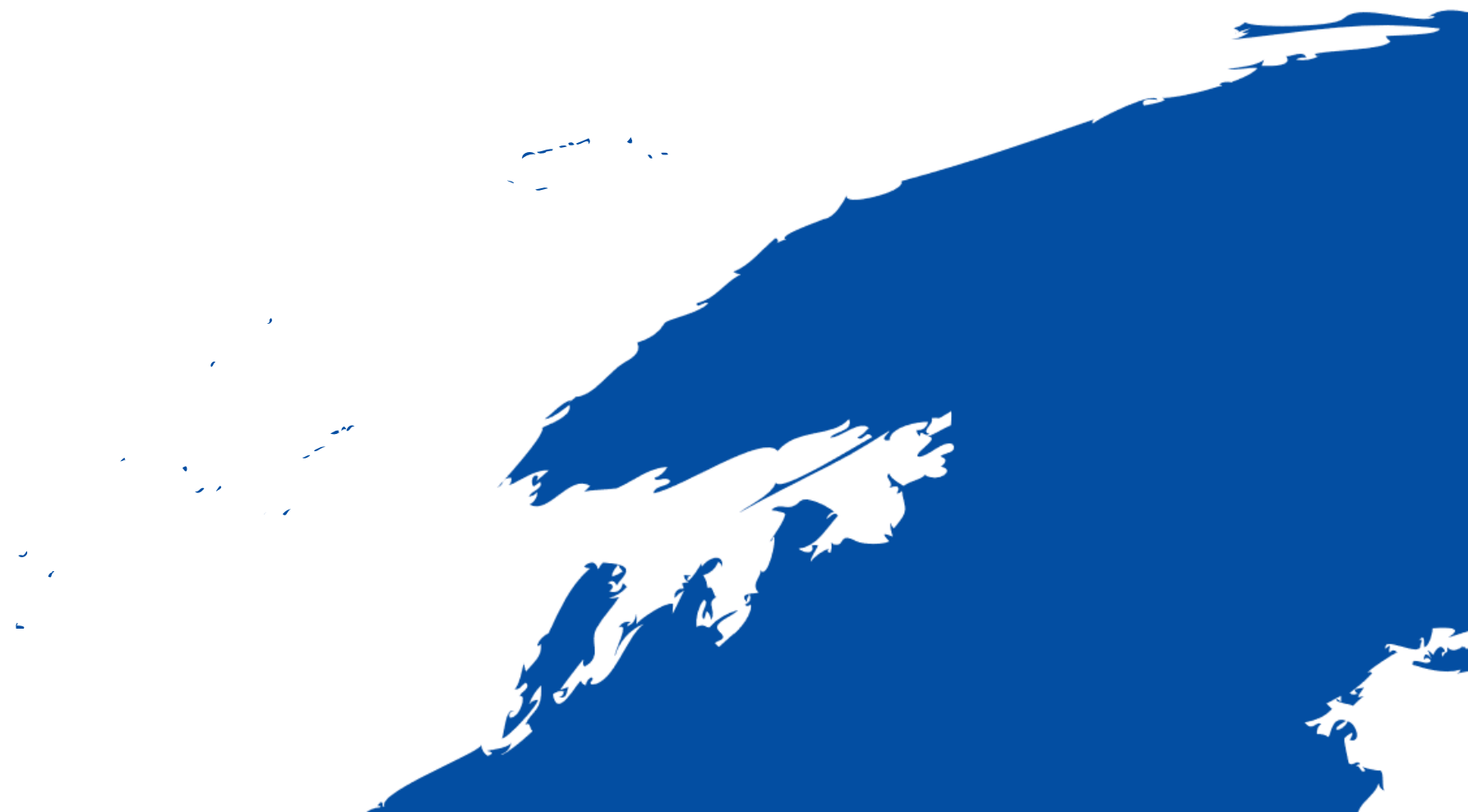
The Code of Conduct applies to all Teknos' companies and employees regardless of the Teknos Group company's location, country or employees' title or position. Thus, "Teknos" or "we" in this document means all Teknos' companies and employees.

Compliance with the Code is a non-negotiable requirement, and all our employees should follow the Code without any exceptions. The Code has been approved by the Teknos Management Team.



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2. A WORD FROM THE CEO



Teknos culture and way of operating are linked to our unique heritage, family values and mentality, and these are further shaped by the Finnish culture where values such as working hard, taking initiatives, and open and honest communication are central. This means we emphasise continuity, acting ethically and transparent and respecting individuality, but also taking care of each other and the society around us. I am certain all of our employees commit to our values, culture, our Code of Conduct and acting both ethically and legally in every situation, every day.

However, ethical dilemmas are not always unproblematic; sometimes the lines are harder to draw. To help in some of the more complex matters and to clarify our way of operating also with our external stakeholders, we have written this Code of Conduct to serve as a guideline for expected behaviour both internally and externally. The Code of Conduct also helps us to build a common ground and trust among each other. As the company continues to grow, this guideline works as a tool to ensure that all Teknos employees align their actions with our core values and Teknos way of doing things.

A handwritten signature in black ink, appearing to read 'Paula', written in a cursive style.

Paula Salastie, CEO

3. VALUES



Our values set the basis for all our operations, including our business practices and internal and external communications. Continuous improvement means that we constantly challenge ourselves to better performance and processes. Our values define what is important and appreciated within Teknos. Following them in our daily work enables us to develop our products, operations – and even ourselves as a team – for the benefit of our customers, partners and society at large.

CREATIVITY

Whilst creative thinking is emphasised particularly in research and development, it also manifests itself throughout the company. Creativity comes into play in the way we respond to the evolving customer needs, both in terms of technical properties and customer service.

PERSISTENCE

The determination to discover the best possible solution for every customer need is visible in our long-term partnerships. We are committed to constantly improving our expertise and performance by working in several long-term development projects, both inside the company as well as helping the customers in refining their processes.

FAIRNESS

We strive to treat all customers, personnel and partners fairly and with respect in accordance with the legislation of each country. This is reflected in our honesty and the way we keep our promises. Our knowledge and experience is openly shared with our employees. Fairness is enabling everyone to have equal opportunities for growth, development and longevity.

4. OUR AIM

We strive to ensure that employees and suppliers all adhere to the relevant principles of this Code of Conduct in the areas in which Teknos, as an organisation, has influence.

4.1. Responsibilities and expectations

All of our employees are responsible for ensuring that they themselves and the entity at which they are employed, act in accordance with the values and business principles of this Code of Conduct. Each employee also has the responsibility to ensure that they as a person possess sufficient information about relevant laws, regulations and policies in conjunction with all business, personnel and investment decisions.

The management groups of each operating area are responsible for implementing this Code of Conduct and for compliance when conducting the Teknos Group's business.

Furthermore, we also strive to ensure that our suppliers adhere to this Code of Conduct and our Supplier Code of Conduct in areas where Teknos, as a company, has influence.



4. OUR AIM

4.2. Implementation

We implement this Code of Conduct through Group and local level roll-outs, after which communication and/or training are implemented according to need.

The roll-out consists of easy-to-understand FAQs and realistic scenarios that help our employees to act according to the Code of Conduct in their daily work life.

Newcomers receive a Code of Conduct training upon arrival at Teknos. This Code of Conduct is published on the Group intranet and on the Teknos website and verified annually by the Teknos Management Team

4.3. Violations

Every employee has the responsibility to report violations against this Code of Conduct and any cases of fraud or other criminal behaviour to their line management and depending on the nature of the breach up to the level of the Teknos Management Team

If this is not appropriate or not possible due to the nature of the breach or the people involved in the breach, the violation can also be reported to the Code of Conduct Committee. The Committee consists of the CEO, the Chief Human Resource Officer and the Group Communications Manager and can be reached via ccc@teknos.com. Depending on the degree of violation, the Code of Conduct Committee will decide on disciplinary actions, and where appropriate, reporting to relevant authorities.

Issues raised will be treated confidentially, as far as possible. In a case where anonymity cannot be granted, the Committee / line manager will discuss with the person who reported the breach before moving forward. Serious violations of the guidelines may lead to termination of contract.



5. AT THE WORKPLACE



We strive to be a respected employer for current and potential employees and to respect and encourage personal and professional development of employees.

We strive to provide a good physical and social work environment for all employees regardless of their location.

Our employee relationships are based on mutual respect and dignity, as well as reasonable influence in areas that affect the individual's work situation. All our employees are required to work in accordance with the Group's basic guidelines and values.

Our terms of employment, including financial compensation and working hours, offered to employees must comply with the requirements according to national legislation or the standard of the industry.

Our employees are responsible for identifying and assessing all risks related to our work and for reporting these risks to the management. Moreover, our employees must in all circumstances comply with all regulatory and legal requirements. They are also responsible for taking actions to reduce possible risk event consequences.

5. AT THE WORKPLACE

5.1. Safe workplace

We strive to make the work environment in all our locations safe and sound. Each Teknos Group company is responsible for ensuring that all work is conducted in such a way that injuries and illnesses are prevented. Making the workplace safe includes providing instructions, procedures, training and supervision to ensure a safe working environment.

Personal Protective Equipment (PPE) is provided when needed, and every employee has the obligation to use them as instructed.

We strive for systematic reporting and assessment of any unsafe conditions and incidents as part of continuous improvement of our safety culture.

5.2. Child or forced labour

We do not accept child labour, forced labour, slave labour or other forms of involuntary work in any of our workplaces. Nor do we allow the use of methods that limit the free movement of its employees. We do not hire persons below the age of 15, and where local legislation imposes a higher age limit, no persons below such age may be hired. Special rules apply for activities and programs aimed at supporting young generations in building their future career paths through the Teknos Trainee Programmes, apprenticeships, summer jobs and similar opportunities.

5.3. Diversity and inclusion

We provide all of our employees equal opportunities regardless of sex, age, nationality, religion, ethnicity or other similar characteristics. When recruiting employees we are committed to equal and proper treatment of all job applicants and employees. Employees are selected and employed on the basis of their professional skills and competence.

Family, friends or other acquaintances are not employed based on their personal relationship with a Teknos employee. To avoid any conflicts of interest, there cannot be any direct reporting lines between family members in Teknos Group companies.

5.4. Harassment-free and respectful work environment

We do not permit discrimination, harassment or bullying at work.

We strive to continuously nourish and maintain a good working environment through involving employees, supporting social activities, providing leadership training and conducting employee opinion surveys regularly.

5.5. Freedom of association

We recognise the right of employees to form or become members of unions in accordance with the laws and principles of each respective country.

5. AT THE WORKPLACE

5.6. Data safety & protection

We only collect and process personal data that is relevant and required to perform working duties according to national legislation or the standards of industry. When data is collected, Teknos is transparent about how the data is intended to be used. We make sure the data processed is accurate, up-to-date and kept safe and secure. Once the data is no longer necessary and there is no legal obligation for storing it, it will be deleted or destroyed.

5.7. Intellectual property rights

We treat the property of Teknos with care and protect it from damage, destruction and theft. We ensure that confidential information and company data are not disclosed to third parties, either inside or outside of Teknos. Confidential information and data from Teknos, including technical, business and legal information and trade secrets, are important assets. This type of information, data and secrets are protected in the same way as physical goods.

We ensure that we do not pass on business information and data to unauthorised third parties. Furthermore, we ensure the confidentiality of information and data to customers and suppliers at all times. This provision continues to apply without restriction after termination of employment relationship with Teknos.



6. DOING BUSINESS

Our business is based on close, long-term relationships with customers and other business partners. We aim to be perceived as a trustworthy, long-term and reliable collaboration partner and will act professionally, honestly and ethically. In our business practices, we do not accept corruption, bribes or other unfair practices that may influence the business or limit competition. All sales activities and marketing of Teknos' products and services is conducted in compliance with relevant laws and regulations in each respective country.



6. DOING BUSINESS



6.1. Fair competition

We do not participate in cartels or other unlawful collaboration with competitors, customers or suppliers that limits or distorts competition. In the event that any company in the Teknos Group is approached with proposals for such collaboration or has reason to believe that such activity is occurring with any of its cooperation partners, it must be reported to Teknos Management Group.

6.2. Anti-bribery and gifts

We do not offer or make undue payments / other compensations, products or services to any person or any organisation for the purpose of gaining business benefits.

Our employees must not – directly or indirectly – request or accept any form of undue payment / other compensation, product or service given for the purpose of business promotion.

For the purpose of avoiding conflicts of interest, our employees may only give or accept gifts or services that are in compliance with general business practices, do not breach applicable laws, do not represent any major financial gain and cannot reasonably be regarded as constituting bribes.

We comply with all laws that prohibit money laundering or financing for illegal or illegitimate purposes. All incoming and outgoing payments must be with customers that are in a genuine business relationship with Teknos.

6. DOING BUSINESS

6.3. Suppliers

We have a separate Supplier Code of Conduct, which has been created to communicate the expectations towards suppliers.

The Supplier Code of Conduct covers areas including environment, health, safety, labour and human rights, business ethics and integrity.

In the areas where Teknos has influence, we will ensure that all suppliers adhere to the Teknos Supplier Code of Conduct.

We evaluate and select preferred suppliers and cooperation partners. Annual audits are performed for selected partners with aim for continuous improvement.

6.4. Product safety

Whilst maintaining high product quality and unique technical performance we strive to formulate products that support a sustainable globe and have the lowest possible hazard profile. We do this through combining the understanding of customer needs, regulatory compliance and commitment to manufacture durable products, with an effort to minimise the total impact on man and environment in all steps of the product lifecycle.



7. ENVIRONMENT



We actively and continuously improve our processes to be more efficient and lean. For us, being efficient and lean also means reducing our environmental impact. We carefully monitor our achievements in our operational scorecards, which include metrics e.g. for the amount of waste, recycling, energy consumption and transportation costs.

We continuously seek to improve our knowledge on the environmental impacts of what we do. For us, this means collaboration and dialogue with our business partners and other stakeholders and developing our knowledge and practices together. We understand that together we make the world last longer.

8. COMMUNITY INVOLVEMENT

Each individual company in the Teknos Group strives to establish good relations in the local communities in which they are active. Our aim is that business decisions which may be assumed to affect the community at large will, whenever possible, be preceded by – or, alternatively, immediately be followed up with – discussions with community representatives for the purpose of identifying any needs for joint actions.



9. CARING FOR THE FUTURE AND FUTURE GENERATIONS



As a family-owned company, we support entrepreneurship education and thinking in society. Furthermore, we support young generations in building their future career paths through the Teknos Trainee programme, thesis/graduation projects and similar opportunities. Every year, we also provide hundreds of summer jobs to young people to give the first contact with work life.

As an employer, we are committed to the principles of a responsible employer covering everything from a good application experience to meaningful work, onboarding and fair payment.

10. SUSTAINABILITY

Our mission is to ensure a longer lasting world for future generations. In the company sustainability is a mindset and an integrated part of Teknos' strategy and business model. We are highly committed to delivering our contribution to protect the planet and make the world last longer.

At Teknos our corporate social responsibility program contributes to value creation for different stakeholders and supports the family company continuity.

We constantly strive to create sustainable long-term value for society, our customers, employees and suppliers by using resources more efficiently; protecting the environment and the safety and health of our employees and others.

We focus the active management of corporate social responsibility on 4 priority areas:

- Sustainable solutions and services
- Responsible operations and supply chain
- People development
- Future generations

Detailed information on sustainability can be found at www.teknos.com/sustainability.



WE MAKE THE WORLD LAST LONGER

Teknos is a global coatings company with operations in more than 20 countries in Europe, Asia, and the USA. The company employs approximately 1,800 people, and achieving net sales of EUR 384 million in 2017. Teknos is one of the leading suppliers of industrial coatings with a strong position in retail and architectural coatings.

Teknos wants to make the world last longer by providing smart, technically advanced paint and coating solutions to protect and prolong. Teknos always works in close cooperation with its customers. Teknos was established in 1948 and is one of Finland's largest family-owned businesses. For further information, visit www.teknos.com.