

AMENDMENT TO THE REMUNERATION POLICY FOR THE BOARD OF MANAGEMENT

The current Remuneration Policy for the Board of Management (the “Policy”)¹ was approved at the AGM in 2021 and last amended at the AGM in 2022. At the AGM of April 25, 2024, a change regarding the Policy for 2024 and onwards will be proposed to shareholders. The amended Policy will, after approval of the AGM, become effective from January 1, 2024 (retroactively) and will remain effective until a new Policy is approved, which will be proposed to shareholders no later than at the AGM in 2025.

CHANGE IN POLICY

In 2021, the AGM approved revenue growth, EBITDA, and return on investment as the performance metrics for the long-term incentive as the prime success indicators supporting the then applicable *Grow & Deliver* strategy. Aligning with AkzoNobel’s recently announced mid-term ambitions, and in accordance with recent discussions with our shareholders, it is proposed to remove revenue growth as one of the performance metrics for the long-term incentive as this metric is based on a calculated competitive benchmark based on our competitors’ limited disclosures. Lack of market information forces us to make certain assumptions to render competitors’ information comparable, making the KPI less objective and less reliable. While growth remains a priority, it is captured in the absolute EBITDA metric, which remains as performance metric for the long-term incentive. Should shareholders approve this proposed amendment, the weight of the remaining performance metrics will be adjusted to 33% for both adjusted EBITDA and ROI and 34% for ESG, increasing the importance of ESG as a confirmation of our commitment to our sustainability targets.

Performance Metric	Weight
Adjusted EBITDA ²	33%
ROI ²	33%
Environmental, Social & Governance (ESG)	34%
Total	100%

There are no other changes to the Policy: the labor market peer group against which remuneration levels are compared remains unchanged, as is the composition of the remuneration package (i.e. base salary, variable remuneration, post-contract benefits and other benefits) and the employment agreements with members of the Board of Management.

CONSIDERATIONS IN DRAFTING THE CHANGE TO THE POLICY

In proposing this change to the Policy, the Supervisory Board took into account all relevant considerations that were also part of the full review that was brought to the AGM in 2021 and 2022, e.g. the interests of and feedback from our stakeholders, the experience with the Remuneration Policy as approved by the AGM in 2022, guidelines of shareholder advisory bodies and the principles and best practices of the Dutch Corporate Governance Code 2022 and the revised EU Directive to encourage long-term shareholder engagement (SRD II).

¹ The current Remuneration Policy for the Board of Management is available via this [link](#)

² Excludes impact of acquisitions individually representing more than 2% AkzoNobel revenue