



AkzoNobel

People. Planet. Paint.

Our approach to sustainable business

AkzoNobel at the Exane ESG conference

September 2021



People.
Planet.
Paint.

Our ambition

AkzoNobel

We strive to lead our industry by pioneering a world of possibilities to empower people and reduce our impact on the planet, while consistently innovating to deliver the most sustainable solutions for our customers.

That's why we call our approach to sustainable business
People. Planet. Paint.



Our approach to sustainability

People. Planet. Paint.

AkzoNobel

People

How we treat our people, our suppliers and inspire and empower the communities around us. Our principles and approach to human rights and how we aim to be a more inclusive and diverse AkzoNobel

Planet

How we minimize our environmental footprint, for example by reducing carbon emissions by 50% and moving towards zero waste as a company by 2030

Paint

How we consistently innovate to give our customers the most sustainable paints and coatings portfolio in the industry. One that brings tangible benefits and delivers positive social and environmental impact

Positively impacting people and planet with paint

People. Planet. Paint.
Our approach to sustainable business

People

How we treat our people, our suppliers and inspire and empower communities

Planet

How we minimize our environmental footprint

Paint

How we consistently innovate to supply sustainable, impactful solutions

The six chapters of our People. Planet. Paint. story



People and communities



Reduced carbon and energy



Reduced, reused and recycled material use



Health and well-being



Less waste



Longer-lasting performance



PEOPLE

Ambitions

Top quartile
In organizational
health score

Towards
zero
injuries
and harm



- ↗ >30% female executives by 2025
- ↗ >1,000 projects to help revitalize communities between 2020 and 2025
- ↗ 35,000 community members¹ trained between 2020 and 2025

PLANET

Ambitions

Towards
zero waste

50%
less carbon
emissions
by 2030²



- ↗ 100% renewable electricity by 2030
- ↗ >30% energy reduction by 2030²
- ↗ 100% reusable waste by 2030
- ↗ 100% of our most water intensive sites reusing water by 2030

PAINT
Ambitions

AkzoNobel

>50%
of revenue
from
sustainable
solutions
by 2030



50%
carbon reduction
in value chain
by 2030²



- ↗ 50% recycled content to be used in plastic packaging by Deco EU by 2025

¹ Equivalent to total number of AkzoNobel employees

² Reduction compared to baseline 2018

Proud of our pioneering carbon reduction target to help tackle climate change

AkzoNobel

- ↯ First paints and coatings company announcing a carbon reduction target for the full value chain
- ↯ **Our target is to reduce carbon emissions for the whole value chain by 50% by 2030***
- ↯ Our target is aligned with the Paris agreement, aiming to limit global warming to max 1.5°C above pre-industrial levels.

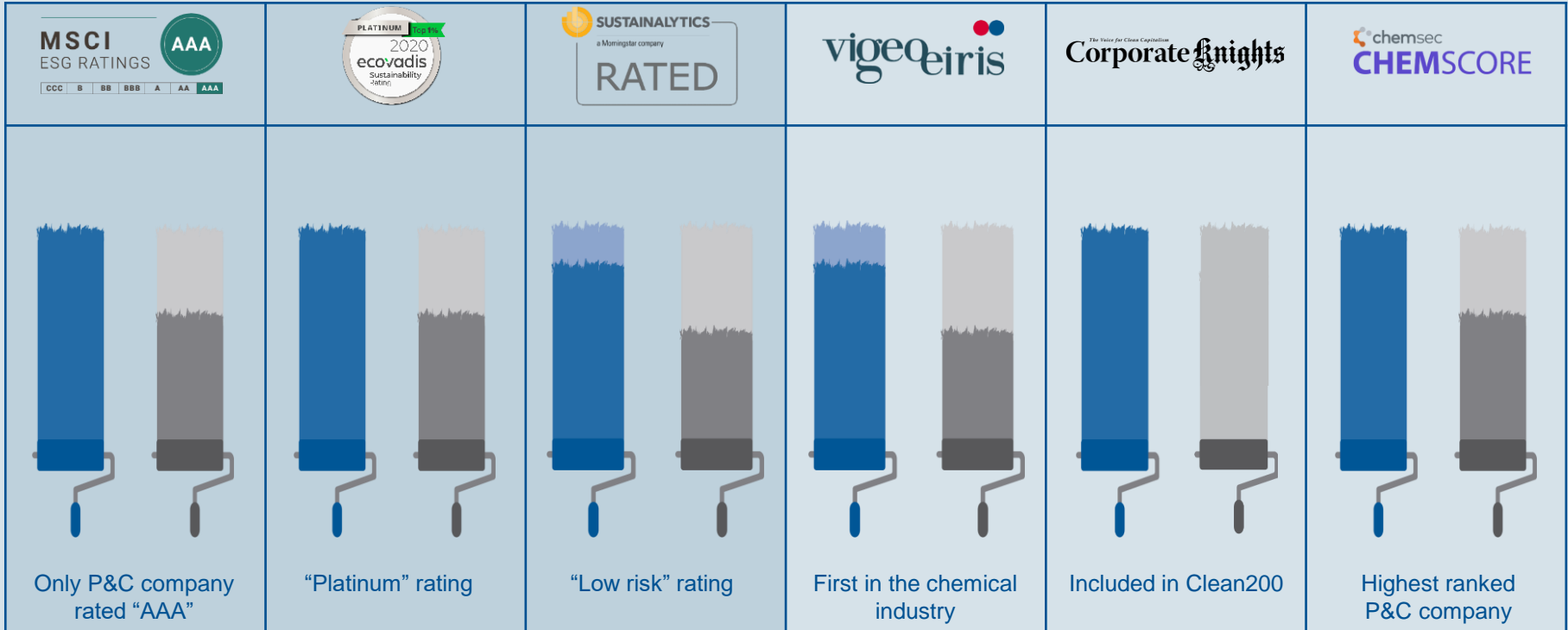


*baseline 2018

People. Planet. Paint.

Leading industry in sustainability ratings

AkzoNobel



A more sustainable future for all



**SUSTAINABLE
DEVELOPMENT
GOALS**

A more sustainable future for all

The 17 Sustainable Development Goals (SDGs) inspire all our actions. We've identified five where we can make a real impact.



SDG 3: Good health and well-being through our solutions for more healthy buildings where people live and work



SDG 11: Sustainable cities and communities through our products with sustainability benefits



SDG 12: Responsible consumption and production through the environmental programs in our operations and supply chain, as well as develop products that improve productivity to allow doing more with less materials

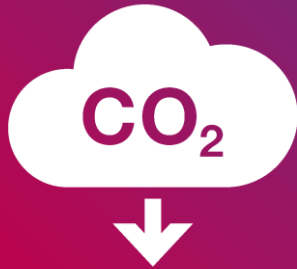


SDG 13: Climate action through energy efficiency programs in our own operations to reduce the embodied carbon in our products, as well as our solutions that help improve the energy efficiency



SDG 17: Partnerships for the goals to jointly learn, innovate and contribute to solutions to tackle societal and environmental challenges

Reduced carbon and energy



How can we reduce carbon footprint?

We continue to innovate and develop products with low embodied carbon:

- ↗ We offer products with bio-based content that help reduce embodied carbon in products
- ↗ AkzoNobel products with minimal VOCs allow for reducing the carbon footprint. These products offer the same quality performance as solvent-based paints and coatings
- ↗ AkzoNobel water-based products for wood care, metal and trim enable you to achieve a perfect finish
- ↗ We provide services to help choosing the products with the lowest CO₂ emissions over time

Keeping buildings cooler


AkzoNobel

The striking Matrex building in Moscow won a prestigious Architizer A+ Award from the global architectural community in 2019. The unique structure is coated in Black Onyx from Interpon's D2525 Eco portfolio, a range of heat-reflective coatings that can bounce the sun's rays back off the exterior of a building. Which means it can make an important contribution to reducing the urban heat island effect.

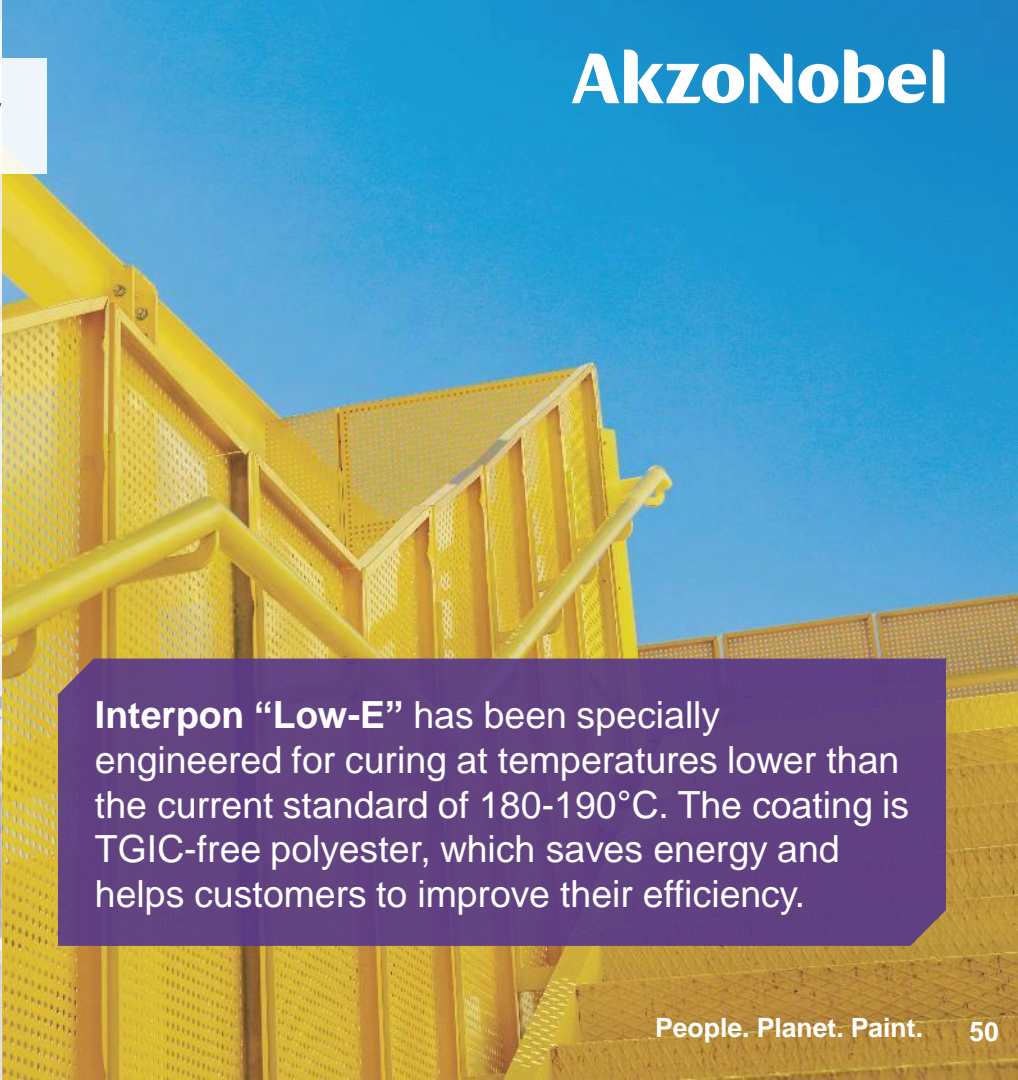


Energy and cost efficiency

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Interpon Reflex is a reflective coating for light fixtures which can increase light reflectance to give up to 30% more output – helping to reduce energy use and save money.



Interpon “Low-E” has been specially engineered for curing at temperatures lower than the current standard of 180-190°C. The coating is TGIC-free polyester, which saves energy and helps customers to improve their efficiency.

Sikkens Rubbol BL Satura

- ↗ This product for interior trim is an **environmentally friendly solution** which provides the same great effect
- ↗ Sikkens Rubbol BL Satura **has lower levels of VOC** and is a low odor paint, which will support the creation of a healthier environment while providing fresher air
- ↗ Its impact supports the **reduction of the greenhouse effect** and contributes to mitigating climate change



Installing solar panels towards 100% renewable electricity ambition

AkzoNobel

Our Garcia site in Mexico is our role model in clean energy. More than 1,650 solar panels were installed in 5,300 sqm of space, giving us the ability to generate 82% of energy required. This percentage makes the site almost self-sufficient and it will eventually produce more energy than it normally consumes.



Less waste



How can we help to reduce waste?

AkzoNobel

- ↗ In our own operations
 - We aim to recycle and reuse our waste and water
- ↗ In our value chain
 - We help customers to reduce their waste; for instance by offering can recycling schemes
 - We produce high solid products that require less packaging
 - We use technology and processing systems that can help minimize waste such as overspray

Reduced waste in coating application process

Our powder coatings application process is one of the most sustainable coating options, with minimum production of waste. It has a high (~99%) reclamation efficiency. No waste is produced as any overspray can be reclaimed and recycled or reprocessed.

Reducing overspray in coating application

qlayers

AkzoNobel

Our partnership with **Qlayers**, 2019 Paint the Future global startup challenge winner, has revolutionized the application of industrial coatings by eliminating overspray.

Reduced packaging waste through high solid products

AkzoNobel

Our Intershield 300 is one of our high solid products. By using a high solid product, we can avoid the amount of packaging used, resulting in less waste to take care of.



Water reuse in Mauá site

AkzoNobel

This is our AkzoNobel Mauá site in Brazil where we reused 100% of our water in 2020. It's uniquely situated, as it contains a large area of Brazilian rainforest. We take that responsibility very seriously, that's why we're restoring 70 hectares of the forest to native woodland.



Reduced, reused and recycled material use



How can we help to reduce material use?

AkzoNobel

- ↗ Providing paints and coatings which have higher efficiency in the application (e.g. single coat)
- ↗ Using latest technology to assess better the amount of paint and coatings needed
- ↗ Using products formulated with renewable or recycled ingredients



Pioneering paint with recycled content

AkzoNobel

We've worked with UK waste management partner, Veolia, to develop Dulux Trade Evolve Matt, which uses **35% recycled paint content**.

It contains reclaimed white paint which was most likely destined for landfill or incineration. The re-engineering process involves strict quality control to ensure that the high standards of Dulux Trade are fully met.



Reusing and recycling waste water sludge

AkzoNobel

Colleagues at our Binh Duong Deco site in Vietnam found a way to reuse waste water sludge by turning it into bricks and tiles. The initiative is a good example of how we're striving to become a zero waste company by 2030.

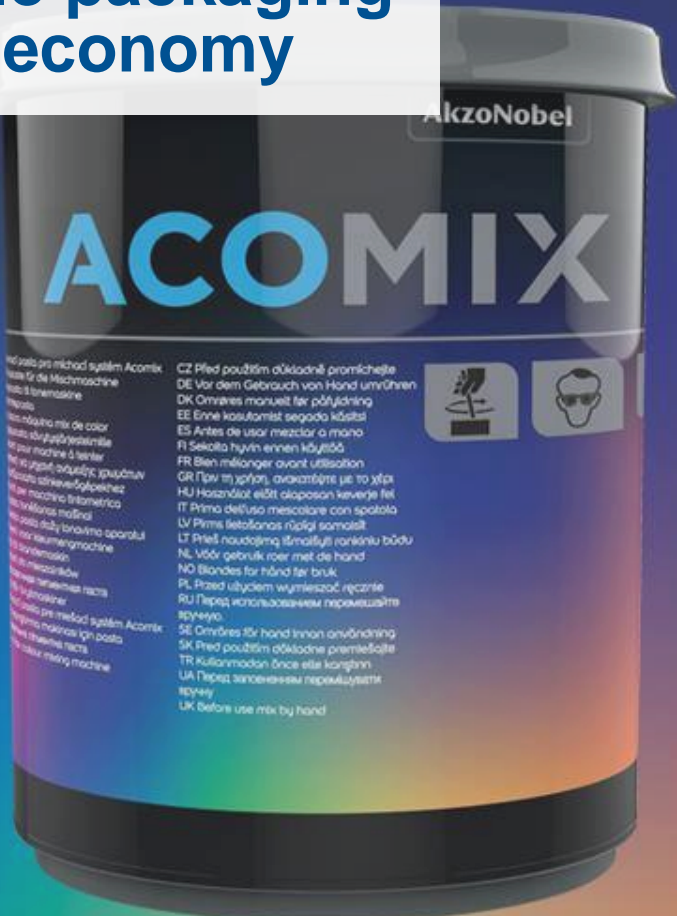
Turning paper trash into paint-worthy treasure

AkzoNobel

We're collaborating with Alucha on a technology that recovers calcium carbonate from paper sludge, which we can use to make paint. It's a more sustainable, circular way to source this mineral. Alucha secured the partnership through our 2019 Paint the Future global startup challenge.

Using more sustainable packaging to stimulate a circular economy

Our new Acomix pack is made of **100% recycled plastic** and is completely recyclable, contributing to a circular economy. The planet-friendly packaging represents a conscious investment to help create a more sustainable world.



Thank you!