



AkzoNobel

People. Planet. Paint.

Our approach to sustainable business



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 sustainable business

People. Planet. Paint.

AkzoNobel

People

We act with integrity and respect human rights across our operations and value chain, embracing diversity and inclusion, to transform the communities in which we operate.

Planet

We minimize our environmental footprint, reducing carbon emissions and moving towards zero waste by pioneering increasingly sustainable solutions and processes.

Paint

We constantly innovate to bring surfaces to life by offering our customers the most sustainable solutions that go beyond generations.

Positively impacting people and planet with paint

AkzoNobel

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

Our principles and approach to People

AkzoNobel

Employees

Developing our
talented workforce

Human Rights

Respecting human
rights in the value
chain

Health and Safety

Applying the
highest health and
safety standards in
our operations and
for suppliers

AkzoNobel Cares

Social impact
programs with
significant benefits
to people and
communities





We are proud of...

AkzoNobel

We're proud to be recognized as a Top Employer in the UK (ninth year), China (eighth year), Brazil (fifth year), the Netherlands and the US (second year), Poland, Sweden and France.

Through the societal impact programs we run under the AkzoNobel Cares banner, we work closely with partners around the world to help transform communities and have a positive impact on society.

From 2015 – 2020:

- More than **15,000** community people trained
- **1,000** projects

Prioritizing health and safety for our employees

AkzoNobel

We strive for leading health, safety, environment and security (HSE&S) performance. Our vision is to deliver zero injuries and harm through operational excellence.

Caring for our employees

Diversity and Inclusion

AkzoNobel

We strive to:

- Be inclusive, respectful and engaged
- Attract talent from across all demographics
- Make sure our workforce reflects the societies and markets in which we do business
- Capitalize on the rich diversity of ideas in order to better meet the future needs of our customers
- Offer equal opportunities to our colleagues



Caring for people Human Rights

AkzoNobel

We respect human rights and support:

- Universal Declaration on Human Rights
- UN Guiding Principles on Business and Human rights
- Declaration of Fundamental Principles and Rights at Work of the International Labor Organization

Creating a positive impact to communities through AkzoNobel Cares

AkzoNobel

Helping people and their communities, building employee pride and using our products and expertise to improve people's lives – besides simply being the right thing to do, it's what we call "delivering shared value" for everyone.

Our ambitions People

AkzoNobel

Health and safety

Zero injuries
and harm
through
operational
excellence

Human capital

2025:
Top quartile
in Organizational
Health Index
>30% female
executives

AkzoNobel Cares

2020 - 2025:
>1,000 projects
>35,000 people
in the community
trained

Planet



Where we are now

AkzoNobel

- ↗ **58%** of our waste was reused in 2020
- ↗ We **recycle waste water** at **11 sites**
- ↗ We have **100% renewable electricity** at **34 locations** and **11 countries**
- ↗ We've installed **solar panels** at **17 locations**

Countries with 100% renewable electricity and solar panels

100% renewable electricity:

- ↗ The Netherlands
- ↗ The UK
- ↗ Belgium
- ↗ Brazil
- ↗ Colombia
- ↗ Estonia
- ↗ France
- ↗ Ireland
- ↗ Spain
- ↗ Germany
- ↗ Sweden

Solar panels:

- ↗ The Netherlands
- ↗ The UK
- ↗ India
- ↗ Thailand
- ↗ Australia
- ↗ Pakistan
- ↗ Italy
- ↗ Mexico
- ↗ Spain
- ↗ Malaysia



Our ambitions

Reducing carbon emissions by 50% by 2030

AkzoNobel

AkzoNobel

sikkens



Energy use reduction

2030:
30%

2025: 15%

Renewable electricity

2030:
100%

2025: >50%



*Baseline 2018 and no offsetting

People. Planet. Paint.

Our ambitions

Towards a zero waste company

AkzoNobel

Non-reusable waste

2030:
0%

2025: 25%

Our most water intensive
sites reuse water

2030:
100%

2025: 50%

Paint

Did you know?

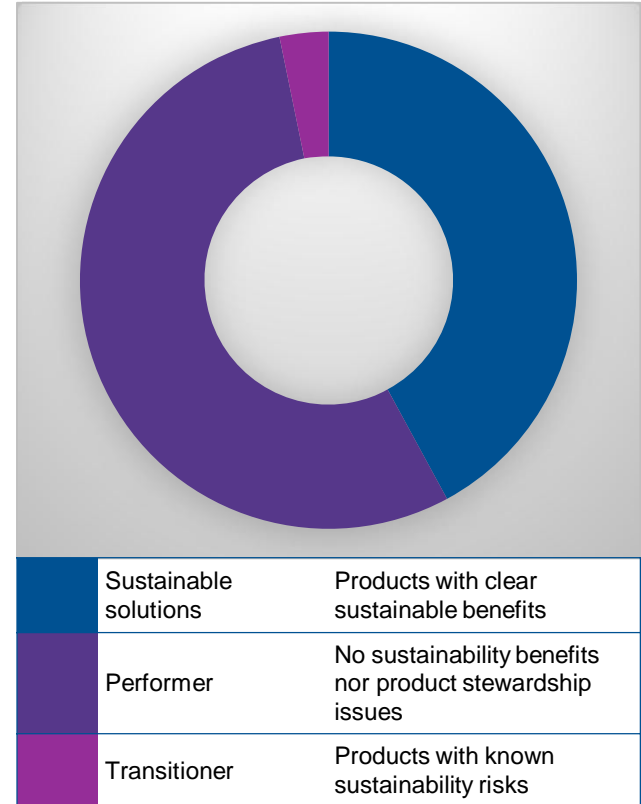
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- With approximately **40% of sales** from our sustainable solutions, we're leading in the industry
- 3,000 scientists work closely with customers to develop **innovative sustainable solutions**
- We're pioneering products with **recycled content**
- Multi award-winning priority substance program
- Pro-actively removing hazardous substances ahead of legislation
- We were the first company to remove lead compounds from paint

Sustainable Product Portfolio Assessment AkzoNobel

How we develop our portfolio

- SPPA takes a holistic view on the sustainability of our product portfolio. Our innovation is focused on developing sustainability advantages for our customers
- Our Sustainable Solutions are products and services that bring downstream sustainability advantages and make up around 40% of our portfolio
- Within this group our Eco-premium solutions have clear sustainability benefits that outperform the market and are best-in-class
- Our multiple award-winning priority substance program is pro-actively removing hazardous substances, that are part of our Transitioner category, ahead of legislation and future-proofing our products against changes in regulations and public concerns.



Based on the SPPA, developed in conjunction with the WBCSD and companies such as Covestro, Solvay, BASF, DSM and Clariant



Development of our sustainable solutions is driven by our four innovation drivers

AkzoNobel



Productivity

- ↗ Fast cure / low bake
- ↗ One component products with two component performance especially water based
- ↗ Smart / zero overspray application
- ↗ Cloud-based data and services



Asset protection

- ↗ Anti-corrosion especially water based
- ↗ Super longevity / durability
- ↗ New substrates
- ↗ Digital inspection / service



Surface enhancement

- ↗ Colors, effects, haptics
- ↗ Aesthetics and emotion / well-being
- ↗ Self-cleaning and anti-bacterial
- ↗ Energy management / insulation



Environmental protection

- ↗ Towards a circular economy, waste, biobased, recycling
- ↗ Waterborne and solid paint
- ↗ Phase out materials of concern, BPA, Cr6, NCO, etc

Customers
Suppliers
Startups
Academia



Our ambitions Paint

AkzoNobel

Sustainable solutions

2030:
>50%

2025: 45%

Our sustainable solutions comprise products that provide sustainable benefits to our customers

Recycled content in plastic packaging for Decorative Paints Europe

2025:
50%

How we are recognized

How our efforts are valued

AkzoNobel

Our commitment to sustainability has resulted in a leading position in the paints and coatings industry in a number of key ratings. These are increasingly used by our shareholders to assess environmental, social and governance-related performance.

Rating agency	Key achievement
Sustainalytics	#1 in the paints and coatings industry in 2020 #3 in the specialty chemicals industry in 2020
MSCI	Highest possible rating for five consecutive years (AAA)
FTSE4Good	We've maintained our score and have been well above the industry average for five consecutive years
ISS Oekom	Highest given score (B-) which makes us part of the top 10%
EcoVadis	Platinum medal which makes us top 1% of all companies
Vigeo Eiris	#1 in the chemical industry in 2019
Corporate Knights	Ranked the most sustainable company in our industry and number 28 overall
Clean200	Included in the Clean200 list for two consecutive years
ChemScore	Highest ranked paints and coatings company in 2020 #3 in chemicals industry in 2020

Partnering for the future

WE SUPPORT



WORLD
GREEN
BUILDING
COUNCIL



TOGETHER FOR
SUSTAINABILITY

RE100
CLIMATE GROUP



Global Alliance to
Eliminate Lead Paint



Dutch
Sustainable
Growth
Coalition



SOS CHILDREN'S
VILLAGES
A loving home for every child



Girls first

A more sustainable future for all



Six chapters of our People. Planet. Paint. approach



People and communities



How can we make a positive impact to people and communities?

AkzoNobel

Through our paints and coatings, we can help to:

- Make living spaces more fun, livable and enjoyable
- Preserve iconic landmarks and heritage sites

As a company, we look after our people as well as those in our value chain by:

- Ensuring a safe work environment
- Respecting human rights



Adding color to people's lives with “Let's Colour”

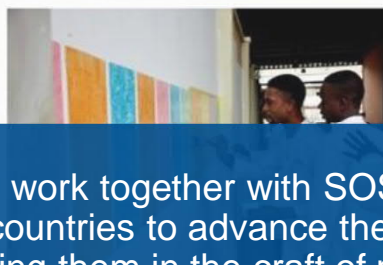
AkzoNobel

Let's Colour demonstrates our belief in the power of paint to transform lives by uplifting communities, changing behavior and making living spaces more fun, livable and enjoyable. Over the past 10 years, we were driven to make a positive impact on people's lives and give back to the communities across the world.

Let's Colour

Tackling youth unemployment through a partnership with SOS Children's Villages

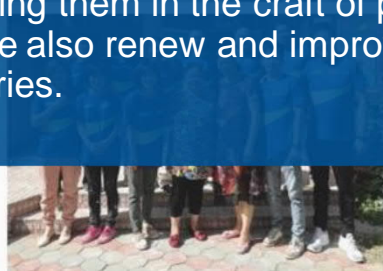
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Since 2016 we work together with SOS Children's Villages in more than 15 countries to advance the employability of youths at risk, by training them in the craft of painting and providing mentorship. We also renew and improve the living spaces for SOS beneficiaries.



SOS CHILDREN'S VILLAGES



25-year history of AkzoNobel Education Fund

AkzoNobel

AkzoNobel and Plan International Netherlands have celebrated 25 years of improving education for young people through their joint Education Fund. Having started out by focusing on education for children in developing countries, the partnership has grown to also offer training, new skills and mentorship.



Contributing to communities in need

AkzoNobel

AkzoNobel employees in India organized an initiative to help surrounding communities close to six sites as the COVID-19 pandemic severely impacted the country. The distribution of dry food material and personal protective equipment (PPE) was carried out by 60 volunteers, benefiting more than 9,000 people.



Preserve the most iconic cultural landmarks

AkzoNobel

Rijksmuseum renovation (Amsterdam)

- Our Sikkens brand supplied the paint to help preserve this iconic landmark
- We developed a special color palette which **closely matched the colors originally** used by the architect, Pierre Cuypers, in 1885
- As a result, the main building's wall and ceiling decorations have been returned to their former glory, serving future generations of art lovers and **preserving the valuable history of this important landmark**



Investing in people earns AkzoNobel “Top Employer” titles

AkzoNobel



The Top Employers Institute has recognized AkzoNobel's excellence in creating the best conditions for employees in the key markets of UK (9 times), China (8 times), Brazil (5 times), the Netherlands and the US (twice), Poland, Sweden and France

Our commitment to safety

Safety Day

AkzoNobel

At AkzoNobel, safety sits at the heart of everything we do. That's why every year we celebrate our commitment to safety on Safety Day. It's a valuable opportunity for us to reflect on why safety is non-negotiable. A chance to think about what we can do better – or differently – to create a culture of safety excellence and accelerate our progress as we strive to become a high reliability organization.



Health and well-being



How can we elevate health and well-being?

AkzoNobel

Through our innovative paints and coatings products, we can:

- **Improve** the indoor air quality in living and working environments
- **Enhance** people's mental health and well-being
- **Give more protection** for people's physical health and well-being
- **Increase** concentration, reduce stress and brighten up spaces

Color inspiration for public spaces and healthcare sector

AkzoNobel

The Dementia Friendly Home

- **Enhanced** mental health and well-being
- **Increased** concentration, reduced stress and brightened up spaces
- **Optimizing the healthcare environment**
- That's why we have developed a **P22 Healthcare color palette**
- This color palette is occupant-centric, it outlines wall coating and flooring combinations and is developed in a way that promotes **enhanced mental and physical well-being** of patients and staff

Improving indoor air quality

AkzoNobel

Dulux Better Living Air Clean is a bio-based paint with new Pure-Air technology that actively improves indoor air quality. It is low odor and 99% solvent free, leaving it fresher and cleaner.



Improving hygiene in building interiors

We've accelerated the addition of BioCote® antimicrobial technology to our Interpon D1000 and 2000 range of architectural powder coatings. The extra functionality means that building interiors can now be given increased protection against microbes such as bacteria and mold that can cause odors, staining and material degradation, by reducing up to 99.99% of microbes on protected surfaces.

Royal Children's Hospital, Melbourne, Australia

Protective and Powder coatings: Interpon D3000, Interpon D2015, Interthane 870, Intercure 200, Interthane 990, Interfine 979

AkzoNobel

The Royal Children's Hospital



The Royal Children's Hospital
People. Places. Purpose.

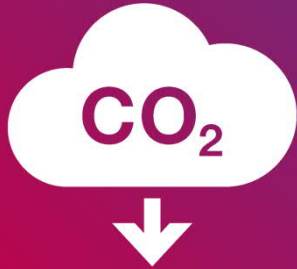
Free from formaldehyde

AkzoNobel

Our Duracid and DuracidColor FF wood coatings are completely free from formaldehyde and isocyanates, which is safe to use on furnishings; e.g. for living rooms, bedrooms and children's rooms. It has no smell, allows fast drying and simple cleaning routine.



Reduced carbon and energy



How can we reduce energy consumption?

Our innovative paints and coatings can deliver energy savings:

- In the coating application process by curing at low temperatures (e.g. curing with low bake products or using UV curing)
- In the use phase of the coated product
 - Saving fuel consumption in transportation (e.g. marine anti fouling coatings).
 - High reflective coatings that limit the heat transfer through the building envelop from sun light thus reducing energy used for air conditioning
 - High reflective coatings that increase efficiency of lighting fixtures thus reducing electricity costs for lighting

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

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





Making shipping more efficient

AkzoNobel

Meet Intersleek. It's a super-slick paint for ships. By keeping hulls free from marine organisms, it reduces drag and improves efficiency. The biocide-free International brand coating has so far helped operators **make substantial savings in fuel costs and CO₂ emissions.**

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.

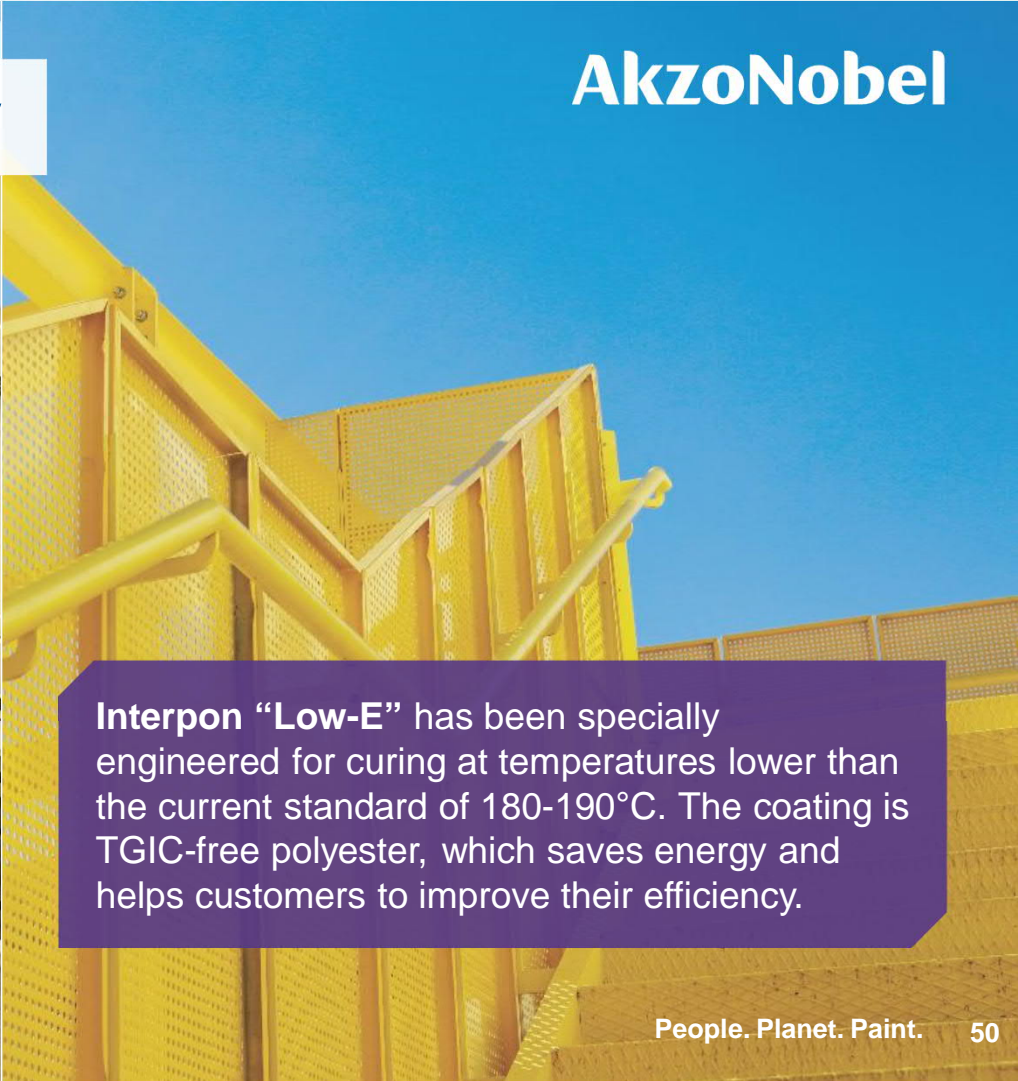


Energy and cost efficiency

AkzoNobel



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.

Saving time and energy

AkzoNobel

Our Sikkens Autoclear UV is a solution for curing vehicle repair coatings – faster drying (saving time) at reduced energy usage (up to 80% savings), less waste, particularly suitable for electric cars and temperature sensitive substrates.

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 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.



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.

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



Using less material in application

AkzoNobel

Sikkens Cetol Novatech is a high solids wood-stain product that requires only 2 coats versus a normal 3 coat system, reducing material use and improving productivity whilst providing excellent durability.



Using more sustainable packaging to stimulate a circular economy

AkzoNobel

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.



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.

Longer-lasting performance



How can you benefit from longer-lasting paints?

AkzoNobel

- ↗ Protect your asset against external impacts for longer
- ↗ Preserve color, finish and aesthetics
- ↗ Prolong maintenance cycles
- ↗ Limit labor and materials needed
- ↗ Reduced cleaning and repair

Protection against stains

Sikkens Alpha Rezisto Easy Clean

- Sikkens Alpha Rezisto Easy Clean contains Stain Shield technology which makes it **highly resistant** to outer influences such as dirt, grease, liquids and stains
- By protecting the surface from potential damage, the product **reduces the need for frequent renovation**
- As a result, we can help to **reduce maintenance cycles and** contribute to the creation of a healthier environment



Keeping interior walls scuff mark-free

Dulux EasyCare+ is tough on marks from scuffs and knocks in high traffic areas

- It uses heroic Scuff Resist technology, providing a perfectly smooth coating structure with the highest stain and scuff resistance
- This prevents particles of plastic, rubber or wood from settling on the surface



Maximum corrosion protection

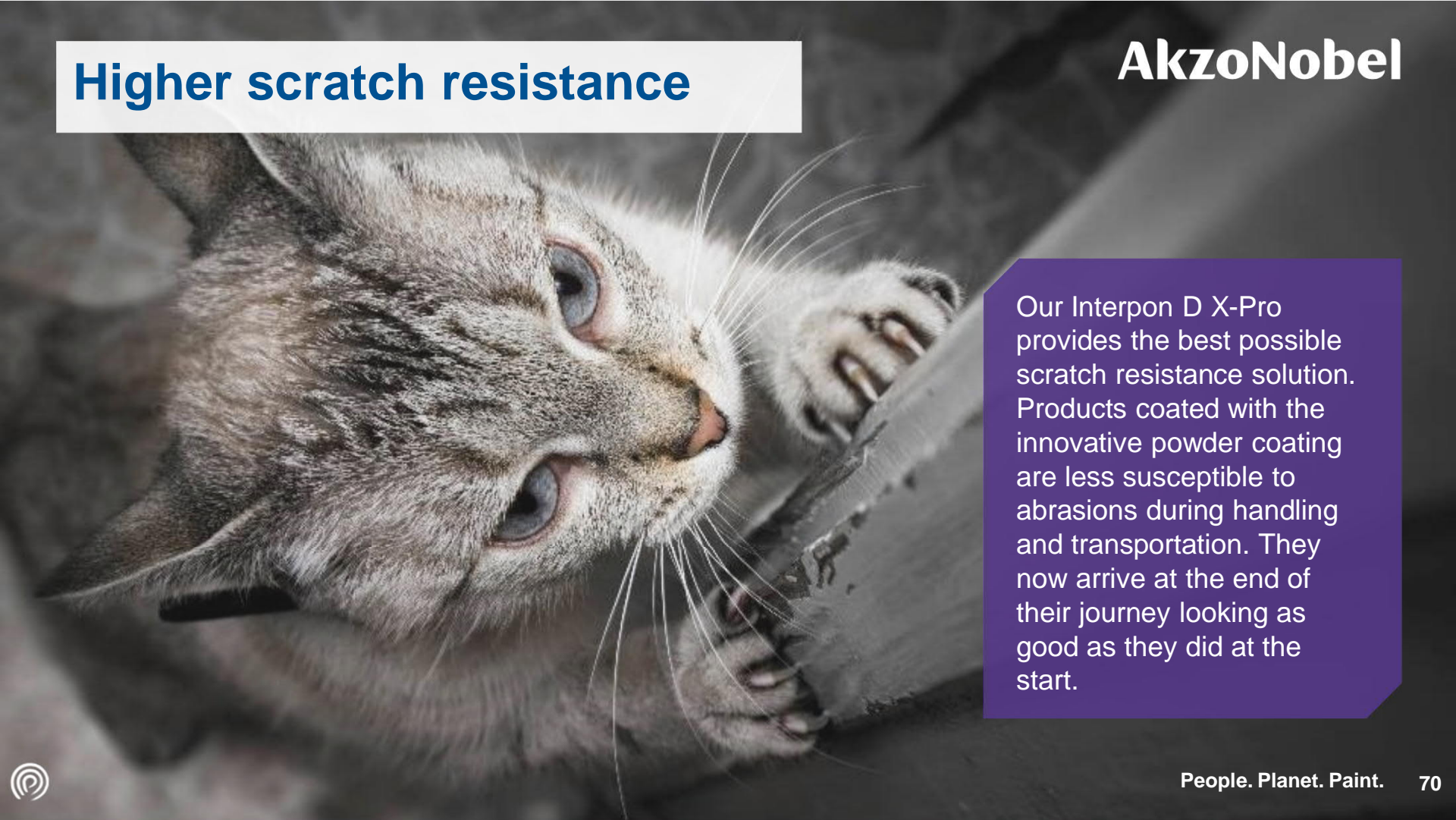
AkzoNobel

Our Interpon Redox range offers customers a one-stop-shop which provides the simplest route to maximum corrosion protection. It covers a full array of substrates, surfaces and environments – from cable cars and chemical plants to window frames and wind turbines.



Higher scratch resistance

AkzoNobel



Our Interpon D X-Pro provides the best possible scratch resistance solution. Products coated with the innovative powder coating are less susceptible to abrasions during handling and transportation. They now arrive at the end of their journey looking as good as they did at the start.

