Q2 update
June 14, 2022
Overall demand signals remain robust, with North America still constrained in raw material availability and logistics, but sequentially improving.

Macro-economic uncertainty related to consumer confidence has increased, especially in Europe.

Slow start to Q2 for the consumer demand in the Deco DIY channels in Europe (40% of total Deco EMEA revenue); subsequently impacted by inventory reductions.

- June Deco DIY channel demand back to 2019 levels
- Deco Professional business performing as anticipated

Q2 COVID-19 lockdowns in China impact both paints and coatings.

- Paints able to almost fully offset impact with geographical expansion initiatives
- Re-opening in June showing positive rebound, but not enough to catch missed revenue within Q2

Accelerating H2 cost adjustments and working capital optimization.

Trends in June largely in line with earlier views; pricing actions remain ahead of raw material and logistics inflation.

Continue to focus on realizing Grow & Deliver and 2023 EBITDA ambition.
### Overall Q2 demand signals remain robust despite short-term headwinds

#### End market demand (y-o-y):
- **Strong**
- **Medium**
- **Weak**

#### North America | Latin America | EMEA | North Asia | South Asia
--- | --- | --- | --- | ---
**Paints** | | | | |
**Industrial** | | | | |
**Powder** | | | | |
**Automotive and Specialty** | | | | |
**Marine and Protective** | Signals of sequential improvement | Slow start to Q2 in DIY Europe; €50m OPI impact* | Q2 COVID lockdowns; €40m OPI impact* | Strong sequential recovery

---

*Source: Company estimates.*

* versus expectations entering Q2.
Our Grow & Deliver ambitions

Ambitions for 2021-2023*

- Revenue growth at or above our relevant markets
- Adjusted EBITDA of €2bn in 2023
- Average annual 50 basis points increase in return on sales over the period 2021-2023

* Assumes no significant market disruption
Disclaimer/forward-looking statements

This presentation does not constitute or form a part of any offer to sell, or any invitation or other solicitation of any offer, to buy or subscribe for any securities in the United States or any other jurisdiction.

Some statements in this presentation are ‘forward-looking statements’. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied. These forward-looking statements are based on current expectations, estimates, forecasts, analyses and projections about the industries in which we operate and management’s beliefs and assumptions about possible future events. You are cautioned not to put undue reliance on these forward-looking statements, which only speak as of the date of this presentation and are neither predictions nor guarantees of possible future events or circumstances. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

This report contains statements which address such key issues as AkzoNobel’s growth strategy, future financial results, market positions, product development, products in the pipeline and product approvals. Such statements should be carefully considered, and it should be understood that many factors could cause forecast and actual results to differ from these statements. These factors include, but are not limited to, price fluctuations, currency fluctuations, developments in raw material and personnel costs, pensions, physical and environmental risks, legal issues, and legislative, fiscal, and other regulatory measures, as well as significant market disruptions such as the impact of pandemics. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies. For a more comprehensive discussion of the risk factors affecting our business, please see our latest annual report, a copy of which can be found on the company’s corporate website

www.akzonobel.com
Thank you