Agenda

- Setting the stage
- GROW
- Sustainable innovation
- DELIVER
- Capital allocation
- Concluding remarks
- Q&A
- Investor update Q2 2022
Disclaimer/forward-looking statements

Alternative performance measures (APM)
When presenting operating results, AkzoNobel uses certain APMs not defined by IFRS, which exclude the so-called identified items that are generated outside the normal course of business. Measures included in this presentation such as (Adjusted) EBITDA (margin), Net Debt / EBITDA, E/E/EBITDA, Adjusted EPS, Adjusted Operating Income, ROS and ROI are all APMs. Please refer to the appendix for definitions of these APMs as well as the definition for identified items. Reconciliations of these APMs to the most directly comparable IFRS measures can be found in our Quarterly Reports.

Market data (Orr & Boss)
Market data in this presentation is provided by Orr & Boss as of January 4, 2022. The data is provided in US Dollar; a €/$ 1.18 exchange rate was used for conversion purposes.

Adjusted market data is based on Orr & Boss and reduced by AkzoNobel.

Competitive positions are by value and based on internal estimates and Orr & Boss information.

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 presentation 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 under-stood 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.
Speakers

Thierry Vanlancker
Chief Executive Officer

Maarten de Vries
Chief Financial Officer

Michael Friede
Chief Commercial Officer

Klaas Kruithof
Chief Technology Officer

Karen-Marie Katholm
Chief Integrated Supply Chain Officer
Setting the stage
Thierry Vanlancker
A focused paints and coatings company

2021 key data
€9.6bn revenue
€1.1bn adjusted OPI
€1.4bn adjusted EBITDA
16.0% return on investment (ROI)
32,800 employees

Note: Full-year 2021 revenue by destination for all regions.
People. Planet. Paint.

Clear purpose as the engine of our organization

People.
We care about people and communities, a passion that’s reflected in our commitment to safety, integrity and sustainability.

Planet.
We challenge ourselves and our partners every day to be better global citizens and protect the future of our planet.

Paint.
We keep pushing boundaries to develop pioneering paint solutions that make a world of difference.
Global paints and coatings industry
Leading global player in large and attractive market

Peer revenue comparison
€ billion, 2021*

Leading global player in large and attractive market

~€140bn market

~50% of the market

* Revenue for BASF, Kansai Paint, Jotun, Asian Paints and Hempel is for 2020. Source: company reporting, internal analysis.
From **15 by 20** to **Grow & Deliver**

Significant culture change with margins in top tier

**Strong margin progress versus peers**

- AkzoNobel
- Peer 1
- Peer 2
- Peer 3
- Peer 4
- Peer 5

**Organizational Health Index (OHI)**

Participation rate at **86%**

**EV/EBITDA multiple remains below peers at ~11.5x**

*Source: Bloomberg, based on next twelve months EBITDA (2021 year-end).**

**Source: Organizational Health Index by McKinsey.**
Grow & Deliver targets
Building on new and strong foundation

2018
- €1bn Adj. EBITDA
- 8.6% ROS

2021
- €1.4bn Adj. EBITDA
- 11.4% ROS

2023
- €2bn Adj. EBITDA
- +150 bps ROS vs 2020*

* 2020 ROS margin at 12.9%.
Assumes no significant market disruption.
**Grow & Deliver: €2bn adj. EBITDA by 2023**

*Source: Orr & Boss, internally reduced forecast. Assumes no significant market disruption.*

**2021**
- ~€350m Grow revenue
  - Growth portfolio adds 1% CAGR
  - 2021-23 market CAGR at 6%
  - Pricing initiatives
  - Sustainable innovation

**2023**
- ~€200m Deliver results
  - Product management
  - Integrated supply chain

- €1.44bn
- €2.0bn

150 bps ROS expansion versus 2020

---

*Pricing initiatives: Sustainable innovation*

**FY 2021**
- In-line with market

**FY 2023**
- Above market

- Grow & Deliver: €2bn adj. EBITDA by 2023

**€1.44bn**
- Product management

**€2bn**
- Integrated supply chain
Stronger and faster pricing initiatives
Previous cycle as proof point for margin expansion

Price versus raw material costs impact y-o-y (€m)

Adj. OPI impact

Q1  Q2  Q3  Q4  Q1  Q2  Q3  Q4  Q1  Q2  Q3  Q4  Q1  Q2  Q3  Q4

2017  2018  2019  2020  2021

-400 -300 -200 -100  0  100  200  300  400

Price/mix impact  Raw materials impact  Price/mix vs raw materials
GROW
Thierry Vanlancker
Michael Friede
### Strong global coatings portfolio with leading positions in key markets

|---------------------------------|--------------------------|---------------------|-----------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Powder Coatings                 | 10                       | 1                   | 10%                         | 8%                               | - Demand for sustainable solutions  
- Strong value proposition including technical quality  
- New markets and applications: e.g. NAM architecture, EV, wood                                                                                                                                                          |
| Industrial Coatings             | 15                       | 2                   | 8%                          | 6%                               | - Sustainability-driven higher demand and industry capacity for metal beverage packaging  
- Coil highly correlated to GDP especially industrial and housing  
- Wood to benefit from strong housing and remodel market                                                                                                                                                                   |
| Marine and Protective Coatings  | 15                       | 2                   | 8%                          | 6%                               | - Marine growth from market trough, both new build and dry dock  
- Energy investments both in oil & gas and green energy  
- Yacht demand remains strong                                                                                                                                                                                                 |
| Automotive and Specialty Coatings | 14                      | 3                   | 7%                          | 5%                               | - Automotive production recovery  
- Vehicle refinish correlated to collision rates & urban miles driven  
- Aerospace OEM to improve and MRO** recovering faster  
- Consumer electronics demand for quality waterborne coatings                                                                                                                                                         |

* Excluding ~€50bn (total paints and coatings) in regions/businesses where AkzoNobel is not present.  
** Maintenance, repair, and overhaul.
Strong global paints portfolio with leading positions in key regions

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<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Paints EMEA</td>
<td>24</td>
<td>1</td>
<td>7%</td>
<td>5%</td>
<td>DIY demand stabilized at higher level</td>
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<td>Recovery of professional and project segments</td>
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<td>Visible tailwind from EU-subsidized Green Deal</td>
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<td></td>
<td></td>
<td>E-commerce, favorable for stronger brands</td>
</tr>
<tr>
<td>Paints Asia</td>
<td>13</td>
<td>3</td>
<td>11%</td>
<td>9%</td>
<td>Higher GDP and continued urbanization</td>
</tr>
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<td></td>
<td>South Asia as highest growth market globally</td>
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<td>Health &amp; wellbeing products</td>
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<td>DIY painting pickup in South Asia</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>China project business less relevant for AkzoNobel</td>
</tr>
<tr>
<td>Paints LATAM**</td>
<td>4</td>
<td>1</td>
<td>7%</td>
<td>5%</td>
<td>Home improvement and more sustainable products</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Demand for healthy and clean surfaces</td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td>Emerging DIY trend</td>
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<td></td>
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<td>Dollar-based costing and pricing</td>
</tr>
</tbody>
</table>

* Excluding ~€50bn (total paints and coatings) in regions/segments where AkzoNobel is not present.
** Latin America excluding Mexico.
Strong start to Grow & Deliver
Outgrew market by 1% in 2021, in line with strategy

2021 versus 2020 comparison (organic)

<table>
<thead>
<tr>
<th></th>
<th>Market</th>
<th>AkzoNobel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue growth %</td>
<td>8.5</td>
<td>14.8</td>
</tr>
<tr>
<td></td>
<td>10.0</td>
<td>14.5</td>
</tr>
</tbody>
</table>

2021 versus 2019 comparison (organic)

<table>
<thead>
<tr>
<th></th>
<th>AkzoNobel</th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>Peer 3</th>
<th>Peer 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue growth %</td>
<td>8.5</td>
<td>13.2</td>
<td>0.4</td>
<td>18.4</td>
<td>-3.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>AkzoNobel</th>
<th>Peer 1</th>
<th>Peer 2</th>
<th>Peer 3</th>
<th>Peer 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume growth %</td>
<td>6.6</td>
<td>6.5</td>
<td>3.3</td>
<td>5.1</td>
<td>n/a</td>
</tr>
<tr>
<td></td>
<td>10.5</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

Outgrew market by 1% revenue in 2021.

Organic volume and revenue growth excluding acquisitions and currency.
Source: Orr & Boss, company reporting and internal analysis.
Well-positioned in key growth markets

Growth businesses to drive additional 1% revenue CAGR

1/3 of portfolio well-positioned to outgrow relevant markets

Growth and attractiveness is AkzoNobel-specific.

Bubble size is illustrative for AkzoNobel revenue and not exactly proportionate.

Well-positioned in key growth markets

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GROW Coatings

Michael Friede
### Performance Coatings

Leading global businesses; strong technologies and brands

<table>
<thead>
<tr>
<th>Key sub-segments</th>
<th>Powder</th>
<th>Industrial</th>
<th>Marine and Protective</th>
<th>Automotive and Specialty</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Architecture</td>
<td>Packaging</td>
<td>Marine</td>
<td>Vehicle Refinishes</td>
</tr>
<tr>
<td></td>
<td>Automotive</td>
<td></td>
<td>Protective</td>
<td>Specialty Plastics</td>
</tr>
<tr>
<td></td>
<td>Functional</td>
<td></td>
<td>Yacht</td>
<td>Aerospace</td>
</tr>
<tr>
<td></td>
<td>General Industry</td>
<td>Wood</td>
<td></td>
<td>Consumer Electronics</td>
</tr>
<tr>
<td>Revenue 2021</td>
<td>€1.3bn</td>
<td>€1.9bn</td>
<td>€1.2bn</td>
<td>€1.2bn</td>
</tr>
<tr>
<td>Market CAGR* 2021-23</td>
<td>8%</td>
<td>6%</td>
<td>6%</td>
<td>5%</td>
</tr>
</tbody>
</table>

*By value. Source: Orr & Boss, internally reduced forecast.*
Megatrends driving growth in Coatings

**Sustainability and energy transition**
- Liquid-to-powder conversion (low VOC* and waste)
- Electric vehicle growth with expected 30% market penetration**
- Shift from plastic to metal beverage packaging
- Asset investments into global energy transition

**Hybrid working**
- Consumer preference for personal transport versus. public transportation
- Demand for high value and sustainable surfaces in direct environment
- Structurally higher electronics demand (home offices, remote education)

**Recovery and Rebound**
- Airline industry recovery for new build and MRO
- Marine new build and dry dock to bounce back
- High energy prices driving business in protective coatings

* Volatile organic compounds.
** By 2030. Source: Deloitte Insights.
Powder Coatings
Clear leadership position and aggressively investing for growth

€10bn market
8% market CAGR 2021-23
#1 in the market

Key growth drivers:
- Liquid-to-powder conversion, e.g. North America architectural
- New applications including e-mobility and wood
- Multi-year comprehensive investment program in people and assets to support growth
- Unrivaled global supply, digital and next-day service

Success:
- Approved at seven major EV OEM and battery manufacturers (accounts for ~70% of EV market)
- First co-patent for e-motor
- Low cure powder Interpon W (unique technology to enable new market entry)

Source: Orr & Boss, internally reduced forecast for market CAGR.
Packaging Coatings
Gaining share and success in beverage ‘can-ends’

€2.7bn market

8% market CAGR 2021-23

#1 inside can

Key growth drivers:
- Accelerated shift from plastic to metal
- Sustainable technology (BPAni)
- ~85 new can production lines to launch within next 24 months
- Higher growth from emerging markets and entrance into beverage can-ends

Success:
- Key supplier to all major can manufacturers
- Market share gains of ~1% in 2021
- Successful entrance into beverage can-ends; full portfolio

Source: Orr & Boss
Aerospace Coatings

Leading technology and strong customer relationship

€0.5bn market

6%

market CAGR 2021-23

#1 in the market

Key growth drivers:
- Accelerated MRO recovery
- Rebound of OEM business
- Acceleration of film and markings
- Growth trajectory in Asia
- Entry into interior coatings leveraging Mapaero acquisition

Success:
- Basecoat/clearcoat technology qualified at all major global OEMs
- Commercialization of sustainable solutions (chrome-free technology)
- Strong key account management and global technical service

Supply to top ten airlines (by fleet size)

<table>
<thead>
<tr>
<th>Year</th>
<th>AkzoNobel</th>
<th>Peers</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2</td>
<td></td>
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<tr>
<td>2018</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>8</td>
<td></td>
</tr>
</tbody>
</table>

Key AkzoNobel repainting programs

Source: Orr & Boss, internally reduced forecast for market CAGR.
Yacht Coatings
Attractive growth business with leading brands and technology

€0.5bn market
6% market CAGR 2021-23
#1 in the market

Yacht business split by € value

Key growth drivers:
- Leading position in all segments, including maintenance with complete offering
- Increased retail demand from consumer lifestyle changes
- Strong key account management
- Emerging markets, especially Asia

Sub-segment revenue moving average sales growth vs. Q4 2018 (index at 100)

Success:
- Integration of Sea Hawk, acquired end of 2020
- Commercial launch of spray filler
- Strong brands and customer intimacy

Source: Orr & Boss, internally reduced forecast for market CAGR.
Decorative Paints
One global brand portfolio with strong local positions

Key sub-segments and regions

- UK and Ireland
- Benelux
- Nordics, Eastern Europe
- Middle East, Africa
- Brazil
- Argentina
- Colombia (Grupo Orbis)
- China retail
- China project

Revenue 2021

- EMEA: €2.4bn
- LATAM: €0.5bn
- North Asia: €0.6bn
- South Asia: €0.5bn

Market CAGR* 2021-23

- EMEA: 5%
- LATAM: 5%
- North Asia: 6%
- South Asia: 12%

Key brands

- AkzoNobel
- Decorative Paints
- One global brand portfolio with strong local positions

* By value. Source: Orr & Boss, internally reduced forecast. Acquisition of Grupo Orbis is expected to close in Q1 2022. North Asia and South Asia are reported as Decorative Paints Asia.
Megatrends driving growth in paints

**Sustainability, health and well-being**
- Strong demand for sustainable products supporting well-being & health
- Driven by legislation, e.g. EU Green Deal
- Growing middle class in Asia leads to higher quality consumption in lower tier cities (especially China & India)

**DIY trend**
- Structurally higher demand versus pre-pandemic level
- Increasing labor costs drive demand for DIY products
- Consumers in Europe increasingly preferring brands

**Digital acceleration**
- Digital sales channels with paint stores fulfilling “last mile” delivery service
- O2O (offline to online) introduces traffic for consumer convenience
- Introduction of market platform to connect consumers with painters
Strong brand recognition
Leveraging our unique global scale for local impact

#1 choice for consumers and professionals
Only paint brand listed in top 50 UK consumer brands

Innovation
Easycare family
31 markets
€130m Revenue

Branding
Global leveraging
10 countries in 18 months

Professional loyalty
Painter Academy
17 countries
100k Professionals trained in 2020

Color
Color of the Year
All countries
196m Impressions

Digital
Visualizer app
All countries
+30m global downloads

Sustainability
Dulux Valentine
Le Blanc Recyclé
Contains 35% recycled paint

Dulux brand value (€bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>1.3</td>
</tr>
<tr>
<td>2018</td>
<td>1.5</td>
</tr>
<tr>
<td>2019</td>
<td>1.5</td>
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<tr>
<td>2020</td>
<td>1.4</td>
</tr>
<tr>
<td>2021</td>
<td>1.7</td>
</tr>
</tbody>
</table>
Decorative Paints EMEA
Distribution, brand leverage and strong innovation pipeline

€24bn market
5% market CAGR 2021-23
20 leading positions
Including in the UK, Ireland, Netherlands, Belgium, Spain, Russia and Italy

Key growth drivers:
- Higher DIY demand
- EU Green Deal (+1% CAGR)
- Expand distribution network
- Effective brand investment

Success:
- Share gains in key markets
- Spain acquisitions
- UK Heritage launch
- AntiScuff wall paint launch
- Increased online sales

Source: Orr & Boss, internally reduced forecast for market CAGR.
Paints EMEA outgrowing the market
Driven by strong brands and distribution

* Source: CEPE, for 2021 preliminary numbers.
Decorative Paints China

Geographic retail expansion with strong brand and sustainable products

~€6bn market

6% market CAGR 2021-23

Double digit growth in premium retail focused post 2018 “reset”

Recognized “super brand”

Key growth drivers:

- Geographic expansion focused on tier 3-5 cities
- Digital ecosystem upgrade
- Leverage core premium Dulux brand
- Eco-friendly & well-being products
- Limited and selective exposure to project business – quality optimized

Success:

- 2021 expansion into +100 new cities and +12.5k new stores
- Dulux online platform in 128 cities
- Launch of Dulux Forest Breath

Source: Orr & Boss, internally reduced forecast for market CAGR.
Decorative Paints Latin America
Expanding strong presence with Grupo Orbis acquisition

€4bn market*

5%
market CAGR 2021-23

Leading positions
in Brazil, Argentina, Uruguay, Bolivia and Colombia (Grupo Orbis)

Key growth drivers:

- Proactive margin management to offset raw materials and FX impact
- Developing premium business through innovation and branding
- Expansion through Blue Store program
  - 1,000 stores, adding 500 in 2021
  - Distributor network (doubled over the past five years)
- Stronger customer and painter preference

Grupo Orbis as expansion platform

- Colombia-based, leading presence from Ecuador to Central America
- Leading local brands include Pintuco, Protecto and AVF Paints
- Annualized revenues at ~€360m

This slide has been updated post the closing of Grupo Orbis acquisition on April 22, 2022.
Source: Orr & Boss, internally reduced forecast for market CAGR.
* Our definition of Latin America as a region excludes Mexico (part of North America).
Grow & Deliver: €2bn adj. EBITDA by 2023

Grow revenue in line with the market and outgrow selected markets

~€350m

Grow revenue

Growth portfolio
adds 1% CAGR

- Powder
- Packaging
- Aero
- Yacht
- Paints China
- Paints LATAM

Sustainable innovation

2021-23 market CAGR at 6%*

Pricing initiatives

* Source: Orr & Boss, internally reduced forecast.
Sustainable Innovation
Klaas Kruithof
Recognized sustainability leader in industry AkzoNobel

<table>
<thead>
<tr>
<th>Investors</th>
<th>Customers</th>
<th>Investors</th>
<th>Europe</th>
<th>Investors</th>
<th>Society</th>
<th>Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>AkzoNobel</td>
<td>Industry average</td>
<td>AkzoNobel</td>
<td>Industry average</td>
<td>AkzoNobel</td>
<td>Industry average</td>
<td>AkzoNobel</td>
</tr>
<tr>
<td>Only P&amp;C company rated “AAA”</td>
<td>“Platinum” rating</td>
<td>“Low risk” rating</td>
<td>Europe</td>
<td>First in the chemical industry</td>
<td>Included in Clean200</td>
<td>Only chemical company receiving this seal</td>
</tr>
</tbody>
</table>

MSCI ESG Ratings: AAA

SUSTAINABILITY ANALYSIS

Low risk rating

Moody’s ESG Solutions

Corporate Knights

Society
People. Building a diverse, inclusive and caring organization

Demonstrating diversity and inclusion

- Leading safety record in the industry
- >1,000 projects to help revitalize communities between 2020 and 2025
- 35,000 community members trained between 2020 and 2025

Organizational Health Index (OHI)*
Participation rate 86%

Female executives (in %)

Top employer recognition in many key countries, including China, the UK, the Netherlands, US, Brazil, France and Germany and top employer in Europe

* Source: Organizational Health Index by McKinsey.
Planet. 50% less carbon emissions from our own operations by 2030

**Ambitious 2030 environmental targets**

- 100% renewable electricity
- >30% energy reduction*
- Towards zero waste:
  - 100% reusable waste
  - 100% of water intensive sites reusing water

**Waste per ton of production (in kg)**

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<thead>
<tr>
<th>Year</th>
<th>Waste (kg)</th>
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<tbody>
<tr>
<td>2018</td>
<td>22</td>
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<tr>
<td>2019</td>
<td>20</td>
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<tr>
<td>2020</td>
<td>18</td>
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</table>

**Energy use per ton of production (in GJ)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Energy use (GJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1.95</td>
</tr>
<tr>
<td>2019</td>
<td>1.85</td>
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<tr>
<td>2020</td>
<td>1.75</td>
</tr>
</tbody>
</table>

**Circular use of paint sludge (Vietnam)**

**€9 million**

Saved from projects directly related to **waste, energy reduction** and **water reuse** in 2020

* Versus 2018 baseline.

2021 numbers for energy and waste to be published on March 2, 2022.
Paint. Delivering value by offering increasingly more sustainable solutions

From…

~40% Revenue from sustainable solutions in 2021

…Towards

>50% Revenue from sustainable solutions by 2030

Ambitious sustainable portfolio targets

- >50% of revenue from sustainable solutions by 2030
- 50% recycled content to be used in plastic packaging by Deco Paints EU by 2025

Margin accretive sustainable solutions

Higher gross margin for sustainable solutions versus standard products*

* For Performance Coatings, analysis covers majority of coatings product portfolio.
Pioneering carbon reduction target validated by the Science Based Targets initiative

First paints and coatings company with 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

50% Reduction in carbon emissions for the whole value chain

- **Scope 1,2** own operations
- **Scope 3 upstream** Suppliers
- **Scope 3 downstream** Customers

* Baseline 2018.
** Above pre-industrial levels.
Sustainable innovation
Solutions beyond generations for our customers worldwide

€1.25 billion spent on R&D in the last five years

3,000 scientists employed worldwide

70 laboratories globally

5 global technology centers

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Patent positions

- Powder low-bake UV cure
- Waterborne anti-corrosive paint
- Biobased air-purifying wall paint
- Waterborne exterior high-gloss paint

Customers | Suppliers | Startups | Academia
Collaborative innovation

AkzoNobel

Startup challenges
Global – Brazil – China

MEMBERS 10,008
SUBMISSIONS 750
SoMe REACH 71m

Supplier challenges
2019-2021

INVITEES 127
SUBMISSIONS 214
SoMe REACH 157k

Academic program 2016-2026

- Employing ~150 PhDs
- Scientific leader: Prof. Ben Feringa, Nobel Prize Chemistry Laureate 2016

AkzoNobel

PAINT THE FUTURE

Advanced Research Center
Chemical Building Blocks Consortium

Utrecht University
TU/e
Eindhoven University of Technology

Nobel Prize Chemistry Laureate 2016

2022 Investor update | Grow & Deliver
Expanding our collaborative innovation ecosystem and collectively reducing our carbon footprint together with our value chain partners
Strong foundation enables Grow & Deliver

Precise processes allow for further complexity reduction

Current
- 94% of revenue on four main SAP platforms
- 6 GBS hubs (~3,000 FTEs)

Towards
- 1 ERP PRISM program
- Annual cost productivity of 7-10% through automation

Foundation serves as key enabler for complexity reduction

~€200m
Deliver results
- Integrated supply chain
- Product management
DELIVER
Product management
Thierry Vanlancker
Product management unlocking end-to-end value through complexity reduction

Legacy…

- High procurement complexity: Unleveraged scale
- Too much single sourced: Costly and vulnerable sourcing
- Small average batch sizes: High production costs and yield losses
- Weak lifecycle management: Slow-moving and obsolete products
Cross-functional collaboration is key to make product management successful

Delivering cost competitive portfolio...

- Optimized formulation architecture

- Security of supply and optimized raw material portfolio

- Improved production cost with greater flexibility

... Defining winning product range

- Clear core product assortment

- Ensure product and product portfolios meet customer expectations

---

- R&D
- Procurement
- Manufacturing

- Sales
- Commercial marketing
Product management in place
Driving standardization and simplification

Resulting in reduced complexity

- Fewer raw materials
- Increased batch size
- Late differentiation
- Standardized packaging
- Network optimization

Half # of raw materials
Double dual sourcing

Number of raw materials decrease by half is for EMEA by 2023, double dual sourcing to be delivered beyond 2023.
Case study 1: Product management
Decorative Paints EMEA

From
- High complexity in
  - Raw materials and packaging
  - Finished products
- Minimal product portfolio and manufacturing leverage
- 8,400 semi-finished products / formulations with slow-moving and obsoletes

To
- EMEA catalog of formulations and packaging
- Late differentiation for color, labeling and packaging
- Reduced complexity in raw materials
- Leverage of manufacturing network through archetypes
- Optimization opportunity in working capital

-40% formulations
-25% packaging variants
~€30m EBITDA improvement by 2023*

* Compared to 2021 baseline.
Case study 2: Resins manufacturing and supply

Creating additional in-house value for sustainable growth

- **Resins to support innovation, growth and sustainability**

- Strategically positioned to leverage scale and generate value with 23 resin assets

- Investments to drive asset efficiency, secure raw material supply and maximize utilization

- Significant value creation to drive EBITDA improvement by 2023
Resins: Value creation opportunity
Delivering more balanced supply at lower cost

- Resins assets to be better utilized
- Improving overall profitability
- Driving supply chain resilience for one of our key raw material streams (2021: ~€1.6bn sourced externally*)
- Driving innovation through key resins in collaboration between our supply partners and our in-house capabilities
- EBITDA improvement of ~€15-20m by 2023

* Excluding raw material for in-house production.
DELIVER: Integrated supply chain
Karen-Marie Katholm
Fit-for-purpose integrated supply chain
Focusing on customer centricity with our 2023 ambitions in mind

- 14,000 People
- 120 Manufacturing Sites
- 330 Warehouses
- €300m CapEx/Year
- €1.5bn OpEx
- 80m Customer order lines per year
- 134,000 End products
- >12,000 Raw materials

2023 ambitions

Safety
- Remain best-in-class

Cost
- Efficiency offsetting fixed cost inflation

Service
- Top notch service levels

People
- Top quartile in organizational health

Enablers

- Network optimization
- Digitization
- Maturity improvement
- Customer segmentation
Turning supply chain into a competitive advantage

Plan
- Enhanced operating model
- Standardized and integrated processes
- Best-in-class, end-to-end planning system

Source
- Digital transformation
- Enhanced forecasting capabilities
- Sourcing experts located close to all markets

Make
- Network optimization with insourcing capabilities
- Continuous improvement
- Digital enablers and sustainable solutions

Deliver
- End-to-end visibility in logistics
- Optimized warehouse and transport management
- Best-in-class order fulfilment
State-of-the-art demand & supply planning

Increased reliability, responsiveness and visibility for value-driven decisions

**From**
- Multiple versions of truth
- Manual, disconnected planning
- Limited effectiveness of decision-making

**Through**
- Optimally centralized supply planning
- Standardized processes
- One source of truth
- Scenarios generated by state-of-the-art planning suite

**To**
- Efficiently leveraged and resilient supply chain network
- High responsiveness to changing conditions while sensing external dynamics
- Agile, effective and speedy decision-making

~20% lower days of inventory* and improved service levels

EBITDA improvement of ~€30m by 2023*

* Compared to 2021 baseline.
**Digital procurement transformation**
Unlocking further value through sourcing efficiency and supply security

**Challenges**

- Supply disruptions
- Raw material shortages
- Logistics capacity shortages
- Labor shortages
- Inflation

**Our response**

- Optimizing operating model
- Improving forecasting capabilities
- Preparation for digital transformation

**Towards 2023**

- Increase dual-sourcing through portfolio optimization
- Improve supplier risk and performance management
- More effective tendering and increased market insights

Enabling lower cost to serve, value engineering and product management
Customer-centric network optimization
Organized through manufacturing archetypes, while investing for growth

<table>
<thead>
<tr>
<th>Simple and efficient</th>
<th>60% of volumes</th>
<th>Lowest total cost for high volumes at consistent quality</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Example: White wall paint, packaging coatings</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Managed complexity</th>
<th>35% of volumes</th>
<th>Many end products with selective customizations at balanced cost</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Example: Coloured wall paint, basecoats for vehicle refinishes</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Agile and adaptive</th>
<th>5% of volumes</th>
<th>Fulfil new and/or last-minute customer requests at a fast pace</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Example: Aerospace Coatings, rapid service unit for Powder</td>
</tr>
</tbody>
</table>

CAPEX shifting towards growth

- 2018: ~30% growth
- 2021: ~60% growth

Growth
Maintenance
Driving operational efficiency
Continuous improvement via digitization & automation to offset fixed cost inflation

3+% efficiency gains on average (year-on-year)

Improvement in OPI per site vs peers by 2023*

EBITDA improvement of ~€60m by 2023** (net of fixed cost inflation)

Source: company reporting and internal analysis.
*AkzoNobel assumes 2021 OPI (peers latest available annual figures and number of plants).
** Compared to 2021 baseline and by end of 2023.
Improved customer service

Enabled by transparency and agility at competitive cost levels

- Freight optimization
- Predictive analytics

- Warehouse management
- Network optimization

- Tailored service level agreements
- Track and trace

EBITDA improvement of ~€60m by 2023**

*Measured by the metric “on time, in full %”.
**Compared to 2021 baseline.
Grow & Deliver: €2bn adj. EBITDA by 2023

Deliver efficiency gains and cost optimization

~€200m
Deliver results

Product management
- Raw material and product standardization
- Reduced complexity
- (In)sourcing as enabler

Integrated supply chain
- Planning optimization
- Increased productivity and archetypes
- Network optimization
- Improvement in working capital health

€1.44bn
2021

€2.0bn
2023
Capital allocation
Maarten de Vries
Total shareholder return
Significant value unlocked since 2017

* Regular dividends declared for 2017-2021.
**Special dividend (€4.00) + capital repayment (€8.78) + special dividend (€4.50).
Delivering on capital allocation priorities

- **Profitable organic growth**: ~3% capital expenditures/revenue
- **Dividend**: Stable to rising
- **Acquisitions**: Strategically aligned and value creating
- **Shareholder returns**: Modular share buybacks
- **Net debt/EBITDA target 1-2x**: Retain strong investment grade credit rating
On the way to €2bn adj. EBITDA by 2023

Increasing return on invested capital

ROI

Adj. EBITDA (€m)

2018  1,037
2019  1,341
2020  1,442
2021  1,436

Grow

Deliver

2023  €2bn

12.6%  14.1%  16.1%  16.0%

~€350m  ~€200m
Working capital and free cash flow
Impacted by raw material inflation and supply constraints

Operating working capital (Trade) as a % of revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>9.7%</td>
<td>11.9%</td>
<td>9.9%</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

Free cash flow (FCF) €m excl. pension pre-funding and top-up payments

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>165</td>
<td>461</td>
<td>988</td>
<td>305</td>
</tr>
</tbody>
</table>

FCF yield*  
1.8% 5.0% 11.6% 3.2%

- Working capital lower versus comparable peers
- Working capital impact from raw material inflation at ~2% (2021)
- Supply chain initiatives to drive 20% improvement in days in inventory by 2023
- Annual pension top-up payments of ~€10m moving forward

* Defined as free cash flow excl. pension pre-funding and top-payments as percentage of revenue.
Capital expenditures
Directing investments to support growth businesses

CAPEX expansion to support Grow & Deliver ...

...with increased focus on Asia

CAPEX* regional breakdown
- EMEA
- North America
- Asia
- South America

* Excludes CAPEX in intangible assets.
Shareholder returns

Significant reduction in shares through share buybacks

- 29% of shares canceled vs 2018
- €2.5bn cash returned from Specialty Chemicals divestment in 2019
- €1.8bn*** in Q4 2019-22 YTD
- €500m new share buyback to be completed by Q1 2023

* Based on the share price as of February 10, 2022, and cancellation of treasury shares.
** At year-end and including treasury shares.
*** Includes €132m share buyback completed in Q1 2022.
Dividends and earnings per share
Stable to rising dividends and significant EPS growth

2.3% avg. dividend yield 2018-21

Dividends per share (€)

<table>
<thead>
<tr>
<th>Year</th>
<th>Final dividend</th>
<th>Interim dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1.80</td>
<td>0.37</td>
</tr>
<tr>
<td>2019</td>
<td>1.90</td>
<td>0.41</td>
</tr>
<tr>
<td>2020</td>
<td>1.95</td>
<td>0.43</td>
</tr>
<tr>
<td>2021</td>
<td>1.98</td>
<td>0.44</td>
</tr>
</tbody>
</table>

113% adj. EPS growth 2018-21

Adj. earnings per share* (EPS) (€)

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1.91</td>
</tr>
<tr>
<td>2019</td>
<td>3.10</td>
</tr>
<tr>
<td>2020</td>
<td>3.88</td>
</tr>
<tr>
<td>2021</td>
<td>4.07</td>
</tr>
</tbody>
</table>

* Adjusted earnings per share from continuing operations.
Executing on capital allocation priorities
Deployed >75% of cash to shareholder returns (2020-21)

Year-end net leverage CAPEX Acquisitions Dividend Share buybacks

2018 (0.4)x* 0.7x 0.8x 1.6x

Cash deployment 2020-21

* Adjusted for the cash returned to shareholders from the Specialty Chemicals divestment.
Acquisition of Grupo Orbis is expected to close in Q1 2022.

* EV-weighted average of EV/EBITDA transaction multiples.
M&A case study: Decorative Paints Spain
Building on strong foundations with series of acquisitions

€600m* market
#1 position**

Revenue AkzoNobel paints Spain (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td></td>
<td></td>
<td>+172%</td>
<td></td>
</tr>
</tbody>
</table>

ROS AkzoNobel paints Spain (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td></td>
<td></td>
<td>+840 bps</td>
<td></td>
</tr>
</tbody>
</table>

Logical fit
- Leading position**
- Leading local brands:
  - #1 brand** in color (Bruguer)
  - #1 brand** in premium wall paint (Titan)
  - Leading woodcare position** (Xylazel)
- Joint technical and commercial expertise
- Foundation for future growth opportunities including Green Deal

Synergy case
- Network optimization
- Selling, general & administrative costs
- Cross-channel sales opportunities
- Titan: 50% of synergies will be realized in 2022

* Source: internal analysis.
** By value.
EBITDA margin on par with US peers

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>11.2</td>
</tr>
<tr>
<td>2019</td>
<td>15.9</td>
</tr>
<tr>
<td>2020</td>
<td>14.4</td>
</tr>
<tr>
<td>2021</td>
<td>17.5</td>
</tr>
<tr>
<td>Q4 2021</td>
<td>16.4</td>
</tr>
<tr>
<td>AkzoNobel</td>
<td></td>
</tr>
<tr>
<td>Average US peers*</td>
<td></td>
</tr>
</tbody>
</table>

Evolution of EV to trailing 12 months adj. EBITDA**

* Sherwin-Williams, PPG, Axalta. Source: company reporting.

** Source: Factset; January 1, 2020 to February 10, 2022.
Grow & Deliver: €2bn adj. EBITDA by 2023
Step-up underpinned by growth and operational efficiencies

- Grow revenue: €350m
- Deliver results: €200m

2021
- €1.44bn
- Growth portfolio adds 1% CAGR
- 2021-23 market CAGR at 6%
- Pricing initiatives
- Sustainable innovation

2023
- €2.0bn
- 150 bps ROS expansion versus 2020
- Product management
- Integrated supply chain

* Source: Orr & Boss, internally reduced forecast. Assumes no significant market disruption.
Rising to the challenge

The world’s biggest offshore wind farm is being protected from the ravages of the North Sea by our International coatings. Hornsea 2 is located off the east coast of England and is capable of powering more than 1.3 million homes. All 165 of its towering 8MW turbines feature Interzone 954, a high-performance coating which has now protected over 2,000 offshore wind assets worldwide.
AkzoNobel uses APM adjustments to the IFRS measures to provide supplementary information on the reporting of the underlying developments of the business. A reconciliation of the alternative performance measures to the most directly comparable IFRS measures can be found in the appendix to this presentation. This Investor Update covers the highlights for the quarter. We recommend to read the Investor Update in combination with the AkzoNobel Q2 2022 Report. The Q2 2022 Report provides additional information, including the IAS34 condensed consolidated financial statements. All figures in this presentation and in the AkzoNobel Q2 2022 Report are unaudited. The interim condensed consolidated financial statements were discussed and approved by the Board of Management and the Supervisory Board.
Revenue up 14% on strong pricing of 16%
2nd consecutive quarter offsetting raw material inflation

Q2 2022:

- Revenue: Up 14% (up 10% in CC)
- Pricing: Up 16% (up 4.5% in Q2’21)
- Adjusted operating income**: €249m (€335m in Q2’21)
- ROS**: 8.7% (13.3% in Q2’21)

H1 2022:

- Revenue: Up 13% (up 10% in CC)
- Pricing vs raw material & freight inflation: +€109m* (€-36m in H1’21)
- Adjusted operating income**: €479m (€642m in H1’21)
- €245m of new €500m share buyback completed

* Raw materials impact includes freight in H1 2022.
** Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
Topline growth, pricing and Focus2 initiatives drive Grow & Deliver strategy

- Growth for 8th consecutive quarter
- Cumulative pricing above 20% offsetting raw material and freight inflation over 2-year period
- Strong organic volume growth in paints South Asia and Latin America
- Continued coatings recovery with volumes at 2019 levels excluding impact from China lockdowns
- M&A: closing of Grupo Orbis, announced Kansai Paint’s Africa and Lankwitzer’s wheel coatings acquisitions

- Inclusion in Euronext Amsterdam’s new AEX® ESG Index
- Maintained all-time high Organizational Health score and participation rate
- Launched Focus2 initiatives to mitigate macroeconomic uncertainty:
  - €100m margin management
  - €100m cost reduction
  - €300m reduction in working capital
Mitigating increasing macroeconomic uncertainty with launch of Focus2 initiatives

Grow & Deliver
- Grow revenue & expand margin
- Deliver results

Focus2 initiatives
- Margin management: €200m
- Cost reduction: €100m

Adj. EBITDA 2021: €1.44bn
Adj. EBITDA 2023: €2.0bn
Acquisition of Kansai Paint Africa strengthens position in Africa

- Plascon brand >100 years of heritage, longest-established paint brand in region together with Dulux
- Strong combination of portfolio, market expertise and platform for future growth (~6% growth rate*)
- Completion expected during 2023

~€280m revenue 2,500 employees 12 countries 19 manufacturing sites 30 warehouses

* Source: internal estimate for revenue growth.
AkzoNobel to acquire Lankwitzer Lackfabrik’s aluminum wheel liquid coatings business

AkzoNobel is to bolster its performance coatings portfolio after reaching an agreement to acquire the wheel liquid coatings business of Lankwitzer Lackfabrik GmbH. Completion, which is subject to regulatory approvals, is expected before the end of 2022. Lankwitzer’s Rims and Wheel business operates out of a manufacturing site in Leipzig, Germany. Its products are approved for use by car manufacturers such as Daimler, Audi, VW, Opel, Fiat and Renault.

Lankwitzer
Premium Coatings

57 employees

1 production facility

2 laboratories
AkzoNobel

# Q2 impacted by short-term headwinds with increasing uncertainties, especially in Europe

## End market demand (y-o-y):

- **Strong**
- **Medium**
- **Weak**

### North America
- **Paints**
- **Industrial**
- **Powder**
- **Automotive and Specialty**
- **Marine and Protective**

### Latin America

### EMEA
- DIY EMEA: slow Q2 start and destocking; impact on Paints EMEA OPI: €50m*

### North Asia

### South Asia
- Strong sequential recovery

---

*Source: Company estimates.*

* versus expectations entering Q2.
Post-lockdown reopening in China

**China weekly volumes ‘22 vs ’21**
(4-week moving average y-o-y)

- **Paints** revenue was supported by geographical expansion
  - 66 new cities in Q1 and 113 new in Q2

- Trends in June in line with sales volumes around 2021 levels

- 2022 lockdowns in China impacted both Paints and Coatings
Deco EMEA DIY Q2 volume impacted by destocking

Case history – Deco UK DIY

UK DIY sell-out volumes
‘22 vs ‘19

UK DIY channels inventory build
(indexed, 100 = inventory as of Jan 1, 2019)

Source: internal.
Industrial coatings driving growth through sustainable innovation

~€15bn* market
€1.9bn revenue in 2021

#2 packaging (#1 inside can)
#1 coil
#2 wood

Sustainable innovation

Packaging

- Next-generation BPAni technology for metal packaging

Coil & Extrusion

- CERAM-A-STAR® 1050 Select: standard color palette reducing complexity
- Cr-free high-performing primer solution for Asian market

Wood

- Acquaduro® waterborne 2K polyurethane coatings providing excellent water and chemical resistance
- Partnering with key furniture manufacturer on coatings with 5% bio-content

* Source: Orr & Boss, internal estimates
Financial review
Revenue 14% higher driven by strong pricing

<table>
<thead>
<tr>
<th>€ million</th>
<th>Q2 2021</th>
<th>Q2 2022</th>
<th>Δ%</th>
<th>Δ%CC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>2,511</td>
<td>2,853</td>
<td>14%</td>
<td>10%</td>
</tr>
<tr>
<td>Adjusted EBITDA*</td>
<td>419</td>
<td>337</td>
<td>(20%)</td>
<td></td>
</tr>
<tr>
<td>Adjusted operating income*</td>
<td>335</td>
<td>249</td>
<td>(26%)</td>
<td></td>
</tr>
<tr>
<td>ROS*</td>
<td>13.3%</td>
<td>8.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ROI*</td>
<td>19.3%</td>
<td>12.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Revenue development Q2 2022 (%)

- Increase
- Decrease

-9
16
3
4
14

Volumes lower mainly due to destocking in Europe DIY channels and China lockdowns, Q2 volumes at 2019 levels

Revenue growth with pricing offsetting lower volumes

Adj. operating income lower due to volumes and higher OPEX outweighing positive net pricing versus raw material and freight inflation

AkzoNobel included on new ESG Index
We’re featured in the top 25 companies on Euronext Amsterdam’s new AEX® ESG Index. It showcases companies that are leading the world in their drive towards zero waste and reduced carbon emissions. Our inclusion is based on the assessment performed by Sustainalytics, one of the key sustainability ranking agencies.

* Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
Pricing offsets inflation headwind for the second consecutive quarter

Adjusted operating income* (€m)

- Positive impact
- Negative impact

ROS* 13.3%

Q2 2021
335

FX
17

Volumes
-118

Mix
0

Price
392

Raw material and freight cost
-321

OPEX and one-offs
-56

ROS* 8.7%

Q2 2022
249

* Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
Q2 pricing up 16%, 20% on 2-year stack

Raw material* price index development

AkzoNobel pricing (%)**

Percentage change to FY2021 annual average

* Raw material and other variable cost Euro value includes freight value from Q1 2022 onwards.
** Price only (excluding mix), percentage change versus prior year.
Stronger and faster pricing initiatives deliver expanding price-vs-raws

Price/mix versus raw material costs impact y-o-y (€m)

Adjustment, OPI impact

2018 15 by 20

Grow & Deliver

Price/mix impact Raw materials impact* Price/mix vs raw materials*

* Raw materials impact includes freight from Q1 2022 onwards.
Paints pricing up 13% with volumes impacted by Europe DIY and China lockdowns

<table>
<thead>
<tr>
<th>€ million</th>
<th>Q2 2021**</th>
<th>Q2 2022</th>
<th>Δ%</th>
<th>Δ%CC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,086</td>
<td>1,182</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Adjusted EBITDA*</td>
<td>222</td>
<td>169</td>
<td>(24%)</td>
<td></td>
</tr>
<tr>
<td>Adjusted operating income*</td>
<td>187</td>
<td>133</td>
<td>(29%)</td>
<td></td>
</tr>
<tr>
<td>ROS*</td>
<td>17.2%</td>
<td>11.3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Revenue development Q2 2022 (%)
- Increase
- Decrease

-8  | 11  | 3  | 3  | 9  | Total

- EMEA: revenue 7% lower, pricing and strength in professional trade offset by lower volumes from destocking in DIY channels
- LATAM: revenue 99% higher driven by pricing, store expansion and Grupo Orbis (revenue up 56% excluding Grupo Orbis)
- Asia: revenue 16% higher due to pricing and growth in India and Vietnam along with China geo-expansion despite impact from China lockdowns

Mosquito-repellent coating launched to help combat disease
A powerful mosquito-repellent coating has been launched by our Coral brand in Brazil. The colorless matt varnish has been specifically designed to combat the Aedes aegypti mosquito – a notorious carrier of dengue fever, as well as the zika and chikungunya virus. The breakthrough product, known as Well-being Protection Anti-Mosquito, has been proven to give continuous protection 24 hours a day for up to two years.
Coatings revenue up 17% despite China lockdowns

<table>
<thead>
<tr>
<th>€ million</th>
<th>Q2 2021**</th>
<th>Q2 2022</th>
<th>Δ%</th>
<th>Δ%CC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,423</td>
<td>1,670</td>
<td>17%</td>
<td>13%</td>
</tr>
<tr>
<td>Adjusted EBITDA*</td>
<td>210</td>
<td>187</td>
<td>(11%)</td>
<td></td>
</tr>
<tr>
<td>Adjusted operating income*</td>
<td>171</td>
<td>143</td>
<td>(16%)</td>
<td></td>
</tr>
<tr>
<td>ROS*</td>
<td>12.0%</td>
<td>8.6%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Revenue development Q2 2022 (%)

- Increase
- Decrease

-9 19 4 17

Volumes Price/mix Acquisitions FX Total

- Industrial: revenue up 22%; growth across all segments, esp. in coil and packaging
- Powder: revenue up 3% with material impact from China lockdowns and supply constraints in North America
- Marine and Protective: revenue up 15% on strong pricing with negative impact from China lockdowns
- Automotive and Specialty: revenue up 15% on pricing and strong demand in aerospace and vehicle refinishes

Teaming up to tackle climate change coatings business

Our first Collaborative Sustainability Challenge resulted in an all-out commitment to tackle climate change. Partners from across the value chain came together and have agreed to continue collaborating in a series of high impact exploration teams in a determined effort to collectively accelerate the reduction of carbon emissions in the paints and coatings industry.

* Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
** Adjusted EBITDA, adjusted operating income and ROS per segment for 2021 have been updated to reflect changes in the financial reporting structure related to a narrower definition of corporate activities and corporate costs in 'Other activities'. More information is available on our website.
Working capital and free cash flow
Impacted by raw material inflation and supply constraints

Operating working capital (Trade)* as a % of revenue

- Q2'19: 14.0%
- Q2'20: 17.4%
- Q2'21: 13.2%
- Q2'22: 17.4%

Free cash flow (FCF)** €m excl. pension top-up payments

<table>
<thead>
<tr>
<th></th>
<th>Q2</th>
<th>H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>107</td>
<td>263</td>
</tr>
<tr>
<td>2020</td>
<td>-337</td>
<td>62</td>
</tr>
<tr>
<td>2021</td>
<td>107</td>
<td>27</td>
</tr>
<tr>
<td>2022</td>
<td>-119</td>
<td>-277</td>
</tr>
</tbody>
</table>

- Working capital impact from raw material inflation ~3% of revenue
- Grupo Orbis added 0.4% to working capital
- Focus2: reduction in working capital
  - €300m by 2023
- Net Debt/EBITDA 3.2 times
- Higher leverage in Q2 partly due to Grupo Orbis acquisition

* Defined as the sum of inventories, trade receivables and trade payables. Operating working capital is measured against four times last quarter revenue.
** Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
Adjusted EBITDA and adjusted EPS

### Adjusted EBITDA* (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Q2</th>
<th>H1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>285</td>
<td>642</td>
</tr>
<tr>
<td>2020</td>
<td>321</td>
<td>623</td>
</tr>
<tr>
<td>2021</td>
<td>419</td>
<td>810</td>
</tr>
<tr>
<td>2022</td>
<td>337</td>
<td>654</td>
</tr>
</tbody>
</table>

### Adjusted earnings per share* (EPS) from continuing operations (€)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2'19</td>
<td>0.96</td>
<td>0.80</td>
<td>1.20</td>
<td>0.84</td>
</tr>
<tr>
<td>Q2'20</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2'21</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q2'22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Number of shares (weighted average)

- 216m
- 191m
- 187m
- 176m

- €245m shares repurchased of new €500m buyback program
- €402m shares repurchased in H1

* Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
Delivering on capital allocation priorities

- **Profitable organic growth**: ~3% capital expenditures/revenue
- **Dividend**: Stable to rising
- **Acquisitions**: Strategically aligned and value creating
- **Shareholder returns**: Modular share buybacks

**Net debt/EBITDA target 1-2x**  Retain strong investment grade credit rating
Concluding remarks
AkzoNobel targets to grow at or above its relevant markets, in line with the company's Grow & Deliver strategy. Trends differ per region and segment, with raw material and other variable cost inflation (including freight) expected to gradually ease towards the end of 2022. AkzoNobel aims to continue to offset raw material and other variable cost inflation (including freight) through pricing initiatives.

Macroeconomic uncertainties have increased due to geopolitical tension, the resurgence of COVID-19 and inflation. Assuming there are no further significant market disruptions, AkzoNobel aims to deliver the €2 billion adjusted EBITDA target for 2023, and an average annual 50 basis points increase in return on sales over the period 2021-2023*.

AkzoNobel targets a leverage ratio of 1-2 times net debt/EBITDA and is committed to retaining a strong investment grade credit rating.

* Please see appendix for 2023 assumptions
Upcoming events

Extraordinary General Meeting  September 2022
Report for the third quarter 2022  October 20, 2022
A focused, high performing, paints and coatings company

- Strong global brands
- Leading positions in large and attractive markets
- Balanced geographic exposure: ~50% revenue from emerging markets
- Grow & Deliver strategy balances growth and margin improvement
- People. Planet. Paint. approach to sustainable business
- Science Based Targets carbon reduction target of 50% by 2030*
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

* Please note numbers in this presentation are unaudited.
Robust pricing initiatives continue; Q2 pricing up 16%

Paints
Quarterly price/mix development in % year-on-year

Coatings
Quarterly price/mix development in % year-on-year

Total
Quarterly price/mix development in % year-on-year

* Organic volume development, does not include acquisition impact.
Performance measures and assumptions

Definitions of alternative performance measures

- **Adjusted earnings per share** are the basic earnings per share from operations, excluding identified items and taxes thereon.
- **Adjusted EBITDA** is operating income excluding depreciation, amortization and identified items.
- **Adjusted operating income** is operating income excluding identified items.
- **Constant currencies** calculations exclude the impact of changes in foreign exchange rates.
- **Free cash flow** is net cash generated from/(used for) operating activities minus capital expenditures.
- **Identified items** are special charges and benefits, results on acquisitions and divestments, major restructuring and impairment charges, and charges and benefits related to major legal, environmental and tax cases.
- **ROI** is adjusted operating income of the last 12 months as percentage of average invested capital.
- **ROS** is adjusted operating income as percentage of revenue.
- **Leverage ratio** is calculated as net debt divided by EBITDA, which is calculated as the total of the last 12 months.
- **Operating working capital (Trade)** is defined as the sum of inventories, trade receivables and trade payables. When expressed as a ratio, operating working capital is measured against four times last quarter revenue.

Assumptions for 2023

- Revenue growth ≥ market CAGR**
- €2bn adjusted EBITDA
- 150 bps ROS* expansion versus 2020
- Other activities €100-130 million cost
- Effective tax rate ~26%
- Capital expenditures ~3% of revenue
- Dividend policy “stable to rising”
- Leverage 1-2x net debt/EBITDA
- No significant market disruption

* Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
** Market data by Orr & Boss, internally reduced forecast.
**Consolidated statement of free cash flows**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
<th>H1 2021</th>
<th>H1 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA</td>
<td>469</td>
<td>292</td>
<td>857</td>
<td>613</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>(1)</td>
<td>1</td>
<td>(1)</td>
<td>4</td>
</tr>
<tr>
<td>Pre-tax results on acquisitions and divestments</td>
<td>— —</td>
<td>— —</td>
<td>(11)</td>
<td>(13)</td>
</tr>
<tr>
<td>Changes in working capital</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
</tr>
<tr>
<td>Pension pre-funding</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
</tr>
<tr>
<td>Pension top-up payments</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
<td>— —</td>
</tr>
<tr>
<td>Other changes in provisions</td>
<td>— —</td>
<td>— —</td>
<td>(96)</td>
<td>(8)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(21)</td>
<td>(20)</td>
<td>(25)</td>
<td>(24)</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(46)</td>
<td>(59)</td>
<td>(90)</td>
<td>(98)</td>
</tr>
<tr>
<td>Other</td>
<td>(24)</td>
<td>13</td>
<td>(27)</td>
<td>13</td>
</tr>
<tr>
<td>Net cash generated from/(used for) operating activities</td>
<td>168</td>
<td>52</td>
<td>137</td>
<td>(154)</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(62)</td>
<td>(67)</td>
<td>(119)</td>
<td>(124)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>106</td>
<td>(119)</td>
<td>18</td>
<td>(278)</td>
</tr>
</tbody>
</table>

**Operating income to net income**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
<th>H1 2021</th>
<th>H1 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>384</td>
<td>205</td>
<td>687</td>
<td>437</td>
</tr>
<tr>
<td>Financing income and expenses</td>
<td>(4)</td>
<td>(28)</td>
<td>(12)</td>
<td>(40)</td>
</tr>
<tr>
<td>Results from associates and joint ventures</td>
<td>8</td>
<td>5</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>388</td>
<td>182</td>
<td>690</td>
<td>410</td>
</tr>
<tr>
<td>Income tax</td>
<td>(123)</td>
<td>(67)</td>
<td>(196)</td>
<td>(129)</td>
</tr>
<tr>
<td>Profit from continuing operations</td>
<td>265</td>
<td>115</td>
<td>494</td>
<td>281</td>
</tr>
<tr>
<td>Profit from discontinued operations</td>
<td>7</td>
<td>(6)</td>
<td>5</td>
<td>(6)</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>272</td>
<td>109</td>
<td>499</td>
<td>275</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>(11)</td>
<td>(3)</td>
<td>(21)</td>
<td>(15)</td>
</tr>
<tr>
<td>Net income</td>
<td>261</td>
<td>106</td>
<td>478</td>
<td>260</td>
</tr>
</tbody>
</table>

**Earnings per share (in €)**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operations</td>
<td>1.40</td>
<td>0.60</td>
</tr>
<tr>
<td>Continuing operations</td>
<td>1.20</td>
<td>0.84</td>
</tr>
</tbody>
</table>

**Adjusted earnings per share* (in €)**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.20</td>
<td>0.84</td>
<td></td>
</tr>
</tbody>
</table>

**Net Debt**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,857</td>
<td>3,865</td>
<td></td>
</tr>
</tbody>
</table>

**Leverage (Net Debt/EBITDA)**

<table>
<thead>
<tr>
<th></th>
<th>Q2 2021</th>
<th>Q2 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2</td>
<td>3.2</td>
<td></td>
</tr>
</tbody>
</table>

* Alternative performance measure, for definitions and reconciliation of the alternative performance measures to the most directly comparable IFRS measures please see appendix.
## Alternative performance measures

<table>
<thead>
<tr>
<th>Q2 2022</th>
<th>Q2 2021</th>
<th>Δ% 2022-21</th>
<th>Operating income (€m)</th>
<th>H1 2021</th>
<th>H1 2022</th>
<th>Δ% 2022-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>234</td>
<td>128</td>
<td>45%</td>
<td>Decorative Paints</td>
<td>377</td>
<td>241</td>
<td>38%</td>
</tr>
<tr>
<td>178</td>
<td>112</td>
<td>37%</td>
<td>Performance Coatings</td>
<td>263</td>
<td>262</td>
<td>28%</td>
</tr>
<tr>
<td>(28)</td>
<td>(35)</td>
<td></td>
<td>Other activities</td>
<td>(53)</td>
<td>(86)</td>
<td></td>
</tr>
<tr>
<td>384</td>
<td>205</td>
<td>47%</td>
<td>Total</td>
<td>687</td>
<td>437</td>
<td>36%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q2 2022</th>
<th>Q2 2021</th>
<th>Δ% 2022-21</th>
<th>Adjusted operating income (€m)</th>
<th>H1 2021</th>
<th>H1 2022</th>
<th>Δ% 2022-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>167</td>
<td>133</td>
<td>29%</td>
<td>Decorative Paints</td>
<td>351</td>
<td>228</td>
<td>28%</td>
</tr>
<tr>
<td>171</td>
<td>143</td>
<td>16%</td>
<td>Performance Coatings</td>
<td>359</td>
<td>292</td>
<td>19%</td>
</tr>
<tr>
<td>(23)</td>
<td>(27)</td>
<td></td>
<td>Other activities</td>
<td>(48)</td>
<td>(51)</td>
<td></td>
</tr>
<tr>
<td>335</td>
<td>249</td>
<td>26%</td>
<td>Total</td>
<td>642</td>
<td>479</td>
<td>25%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q2 2022</th>
<th>Q2 2021</th>
<th>Δ% 2022-21</th>
<th>Adjusted net income from continuing operations (€m)</th>
<th>H1 2021</th>
<th>H1 2022</th>
<th>Δ% 2022-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>388</td>
<td>182</td>
<td>102%</td>
<td>Profit before tax from continuing operations</td>
<td>690</td>
<td>410</td>
<td></td>
</tr>
<tr>
<td>(49)</td>
<td>44</td>
<td></td>
<td>Adjusted items reported in operating income</td>
<td>(45)</td>
<td>42</td>
<td></td>
</tr>
<tr>
<td>(20)</td>
<td>(10)</td>
<td></td>
<td>Adjusted items reported in interest</td>
<td>(20)</td>
<td>(10)</td>
<td></td>
</tr>
<tr>
<td>(83)</td>
<td>(65)</td>
<td></td>
<td>Adjusted income tax</td>
<td>(157)</td>
<td>(126)</td>
<td></td>
</tr>
<tr>
<td>(11)</td>
<td>(3)</td>
<td></td>
<td>Non-controlling interests</td>
<td>(21)</td>
<td>(15)</td>
<td></td>
</tr>
<tr>
<td>225</td>
<td>148</td>
<td></td>
<td>Total</td>
<td>447</td>
<td>301</td>
<td></td>
</tr>
</tbody>
</table>

Updates in financial reporting structure

Operating income, adjusted operating income, EBITDA and adjusted EBITDA (and related measures) per segment for 2021 have been updated to reflect changes in the financial reporting structure related to a narrower definition of corporate activities and corporate costs in ‘Other activities’. More information is available on our website.

* OPI margin, ROS and ROI for Other activities are not shown, as this is not meaningful.

---

**Average invested capital (€m)**

- **July 2020 - June 2021/July 2021 - June 2022**
  - **2021**
  - **2022**
  - **Δ%**
  - Decorative Paints: 2,734, 3,226, 18%
  - Performance Coatings: 3,409, 3,721, 9%
  - Other activities: 530, 385
  - Total: 6,673, 7,332, 10%

**ROI (%)**

- **July 2020 - June 2021/July 2021 - June 2022**
  - **2021**
  - **2022**
  - Decorative Paints: 24.3
  - Performance Coatings: 22.5
  - Other activities: 15.1
  - Total: 19.3

**EBITDA (€m)**

- **July 2020 - June 2021/July 2021 - June 2022**
  - **2021**
  - **2022**
  - Operating income: 1,256, 868
  - Depreciation and amortization: 351, 357
  - EBITDA: 1,607, 1,225

**Net Debt (€m)**

- **June 30, 2021/June 30, 2022**
  - Short term investments: (295), (782)
  - Cash and cash equivalents: (1,216), (1,076)
  - Long-term borrowings: 2,761, 3,404
  - Short-term borrowings: 607, 2,319
  - Net Debt: 1,857, 3,865

**Leverage ratio**

- **July 2020 - June 2021/July 2021 - June 2022**
  - **2021**
  - **2022**
  - Net debt: 1,857, 3,865
  - EBITDA: 1,607, 1,225
  - Leverage ratio: 1.2, 3.2

---

* OPI margin, ROS and ROI for Other activities are not shown, as this is not meaningful.
Recognized sustainability leader in industry AkzoNobel

- MSCI ESG Ratings
  - AAA
- Sustainalytics RATED
  - Platinum” rating
- Moody’s ESG Solutions
  - “Low risk” rating
- Corporate Knights
  - First in the chemical industry
- Terra Carta
  - Only chemical company receiving this seal

- Investors
  - AkzoNobel
    - Only P&C company rated “AAA”
  - Industry average
- Customers
  - AkzoNobel
    - “Platinum” rating
  - Industry average
- Investors
  - AkzoNobel
    - “Low risk” rating
  - Industry average
- Europe
  - AkzoNobel
    - First in the chemical industry
  - Industry average
- Society
  - AkzoNobel
    - Included in Clean200
  - Industry average
- Society
  - AkzoNobel
    - Only chemical company receiving this seal
  - Industry average

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