Disclaimer/forward-looking statements

Alternative performance measures (APM)
When presenting operating results, AkzoNobel uses certain APM’s 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, EV/EBITDA, Adjusted EPS, Adjusted Operating Income, ROS and ROI are all APM’s. Please refer to the appendix for definitions of these APM’s as well as the definition for Identified items. Reconciliations of these APM’s 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 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
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*

~€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

ROS% over time:
- AkzoNobel
- Peer 1
- Peer 2
- Peer 3
- Peer 4
- Peer 5

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

Organizational Health Index (OHI)**
Participation rate at 86%

* 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

+150 bps
ROS vs 2020*

2023

€2bn
Adj. EBITDA

Grow at or above relevant markets

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

- **€1.44bn**
  - 2021
  - Growth portfolio adds 1% CAGR
  - 2021-23 market CAGR at 6%*
  - Pricing initiatives
  - Sustainable innovation
  - 150 bps ROS expansion versus 2020

- **~€350m**
  - Grow revenue
- **~€200m**
  - Deliver results
  - Product management
  - Integrated supply chain

- **€2.0bn**
  - 2023

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

* 2022 Investor update | Grow & Deliver
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

0
100
200
300
400

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

2017  2018  2019  2020  2021

15 by 20

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

Grow & Deliver
### Strong global coatings portfolio with leading positions in key markets

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

* 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

<table>
<thead>
<tr>
<th>Region</th>
<th>Market size ~€bn, 2021*</th>
<th>Position by revenue</th>
<th>Market growth value ‘21-’23</th>
<th>Adj. market growth value ‘21-’23</th>
<th>Current market dynamics</th>
</tr>
</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>
</tr>
<tr>
<td></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>
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<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>
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<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>
<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>
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<td>Demand for healthy and clean surfaces</td>
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<td></td>
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<td>Emerging DIY trend</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)

Revenue growth %

Outgrew market in 2021 by 1% revenue

Market AkzoNobel Peer 1 Peer 2 Peer 3 Peer 4

11.9 12.9 8.5 10.0 14.8 14.5

Volume growth %

Market AkzoNobel Peer 1 Peer 2 Peer 3 Peer 4

6.6 6.5 3.3 5.1 n/a 10.5

2021 versus 2019 comparison (organic)

Revenue growth %

Market AkzoNobel Peer 1 Peer 2 Peer 3 Peer 4

8.5 13.2 0.4 18.4 -3.6

Volume growth %

Market AkzoNobel Peer 1 Peer 2 Peer 3 Peer 4

1.8 6.1 n/a -5.5 -6.7

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

Bubble size is illustrative for AkzoNobel revenue and not exactly proportionate.
Growth and attractiveness is AkzoNobel-specific.
Performance Coatings
Leading global businesses; strong technologies and brands

Key sub-segments
- Powder
  - Architecture
  - Automotive
  - Functional
  - General Industry
- Industrial
  - Packaging
  - Coil & Extrusion
  - Wood
- Marine and Protective
  - Marine
  - Protective
  - Yacht
- Automotive and Specialty
  - Vehicle Refinishes
  - Specialty Plastics
  - Aerospace
  - Consumer Electronics

Revenue 2021
- Powder: €1.3bn
- Industrial: €1.9bn
- Marine and Protective: €1.2bn
- Automotive and Specialty: €1.2bn

Market CAGR* 2021-23
- Powder: 8%
- Industrial: 6%
- Marine and Protective: 6%
- Automotive and Specialty: 5%

Key brands
- Interpon
- Chemcraft
- Sikkens
- Zweihorn
- Interlux
- Sea Hawk
- AWL GRIP
- International
- Wanda
- Dynacoat
- Mapaero
- Lesonal
- Sikkens

*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

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

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

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.
GROW Decorative Paints

Thierry Vanlancker
Decorative Paints
One global brand portfolio with strong local positions

Key sub-segments and regions

**EMEA**
- UK and Ireland
- Benelux
- Nordics, Eastern Europe
- Middle East, Africa

**LATAM**
- Brazil
- Argentina
- Colombia (Grupo Orbis)

**North Asia**
- China retail
- China project

**South Asia**
- India
- Indonesia
- Vietnam

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

*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)

2017 2018 2019 2020 2021
1.3 1.5 1.5 1.4 1.7

2022 Investor update | Grow & Deliver 28
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 ~€260m

Source: Orr & Boss, internally reduced forecast for market CAGR. Acquisition of Grupo Orbis is expected to close in Q1 2022.

* 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

2021-23 market CAGR at 6%*
- Pricing initiatives

Sustainable innovation

* 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>Society</th>
<th>Society</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MSCI ESG RATINGS</strong></td>
<td><strong>“Platinum” rating</strong></td>
<td><strong>“Low risk” rating</strong></td>
<td><strong>First in the chemical industry</strong></td>
<td><strong>Included in Clean200</strong></td>
<td><strong>Only chemical company receiving this seal</strong></td>
</tr>
<tr>
<td><strong>AAA</strong></td>
<td>AkzoNobel</td>
<td>AkzoNobel</td>
<td>AkzoNobel</td>
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<td><strong>2022 ecovadis Sustainability Label</strong></td>
<td>Industry average</td>
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<td><strong>SUSTAINALYTICS RATED</strong></td>
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<td>Industry average</td>
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<td><strong>Moody’s ESG Solutions</strong></td>
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<td><strong>Corporate Knights</strong></td>
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<td><strong>Terra Carta</strong></td>
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Only P&C company rated “AAA”

“Platinum” rating

“Low risk” rating

First in the chemical industry

Included in Clean200

Only chemical company receiving this seal
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

**Female executives (in %)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2025</th>
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<tr>
<td>%</td>
<td>20</td>
<td>18</td>
<td>21</td>
<td>22</td>
<td>&gt;30%</td>
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**Organizational Health Index (OHI)***

Participation rate 86%

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
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</thead>
<tbody>
<tr>
<td>Index</td>
<td>56</td>
<td>72</td>
<td>70</td>
<td>60</td>
<td>50</td>
</tr>
</tbody>
</table>

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)**

- 22 in 2018
- 20 in 2019
- 18 in 2020

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

- 1.95 in 2018
- 1.85 in 2019
- 1.75 in 2020

**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

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

...Towards

>50% Revenue from sustainable solutions by 2030

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

* 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

Productivity

Asset protection

Surface enhancement

Environmental protection

Patent positions

2018 2019 2020 2021
0 1000 2000 3000

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

<table>
<thead>
<tr>
<th><strong>Startup challenges</strong></th>
<th><strong>Supplier challenges</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Global – Brazil – China</td>
<td>2019-2021</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>MEMBERS</strong></th>
<th><strong>SUBMISSIONS</strong></th>
<th><strong>SoMe REACH</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>10.008</td>
<td>750</td>
<td>71m</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>INVITEES</strong></th>
<th><strong>SUBMISSIONS</strong></th>
<th><strong>SoMe REACH</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>127</td>
<td>214</td>
<td>157k</td>
</tr>
</tbody>
</table>

**Academic program 2016-2026**

- Employing ~150 PhDs
- Scientific leader: Prof. Ben Feringa, Nobel Prize Chemistry Laureate 2016
Collaborative Sustainability Challenge 2022

Expanding our collaborative innovation ecosystem and collectively reducing our carbon footprint together with our value chain partners.
DELIVER
Maarten de Vries
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...

- R&D
  - Optimized formulation architecture

- Procurement
  - Security of supply and optimized raw material portfolio

- Manufacturing
  - Improved production cost with greater flexibility

... Defining winning product range

- Sales
  - Clear core product assortment

- Commercial marketing
  - Ensure product and product portfolios meet customer expectations
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.

Our global Resin plants’ utilization (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2021</th>
<th>2023F</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilization (%)</td>
<td>50%</td>
<td>60%</td>
<td>75%</td>
</tr>
</tbody>
</table>

In-house production volumes vs. external sourcing

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2021</th>
<th>2023F</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-house</td>
<td>35%</td>
<td>37%</td>
<td>55%</td>
</tr>
<tr>
<td>External sourcing</td>
<td>65%</td>
<td>63%</td>
<td>45%</td>
</tr>
</tbody>
</table>
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

**Service**
- Top notch service levels

**Cost**
- Efficiency offsetting fixed cost inflation

**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
- Inflation
- Raw material shortages
- Logistics capacity shortages
- Labor shortages

### 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

Simple and efficient
60% of volumes
- Lowest total cost for high volumes at consistent quality
- Example: White wall paint, packaging coatings

Managed complexity
35% of volumes
- Many end products with selective customizations at balanced cost
- Example: Coloured wall paint, basecoats for vehicle refinishes

Agile and adaptive
5% of volumes
- Fulfil new and/or last-minute customer requests at a fast pace
- Example: Aerospace Coatings, rapid service unit for Powder

CAPEX shifting towards growth
- ~30% growth
- 2018
- ~60% growth
- 2021
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*

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.

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

Deliver

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

€2bn adj. EBITDA by 2023

2022 Investor update | Grow & Deliver
Capital allocation
Maarten de Vries
Total shareholder return
Significant value unlocked since 2017

Share price €59.71

Share price €94.56

Total shareholder return (per share)

Share price appreciation €34.85

Regular dividends €9.28*

Special shareholder returns** €17.28

* 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

<table>
<thead>
<tr>
<th>Year</th>
<th>Adj. EBITDA (€m)</th>
<th>ROI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>1,037</td>
<td>12.6%</td>
</tr>
<tr>
<td>2019</td>
<td>1,341</td>
<td>14.1%</td>
</tr>
<tr>
<td>2020</td>
<td>1,442</td>
<td>16.1%</td>
</tr>
<tr>
<td>2021</td>
<td>1,436</td>
<td>16.0%</td>
</tr>
</tbody>
</table>

- Grow: ~€350m
- Deliver: ~€200m
- 2023: €2bn
Working capital and free cash flow
Impacted by raw material inflation and supply constraints

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating working capital (Trade) as a % of revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>9.7%</td>
</tr>
<tr>
<td>2019</td>
<td>11.9%</td>
</tr>
<tr>
<td>2020</td>
<td>9.9%</td>
</tr>
<tr>
<td>2021</td>
<td>13.0%</td>
</tr>
</tbody>
</table>

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

- 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

* 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)

Cash deployment 2020-21

* Adjusted for the cash returned to shareholders from the Specialty Chemicals divestment.
Track record of strategic M&A

Spain
Leading woodcare position

Romania
Leading paints position

Malaysia
Leading paints position

Aerospace
Cabin/interior coatings

Mauritius
Leading paints position

Yacht
North America retail

Spain
Leading paints position

Central and South America
Leading paints position

AkzoNobel

 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**

![Graph showing revenue increase](image1)

**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.
GROW & DELIVER recap

Thierry Vanlancker
EBITDA margin on par with US peers

Adj. EBITDA margin (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>AkzoNobel</th>
<th>Average US peers*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>11.2</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>15.9</td>
<td>14.4</td>
</tr>
<tr>
<td>2020</td>
<td>17.5</td>
<td>16.9</td>
</tr>
<tr>
<td>2021</td>
<td>16.9</td>
<td>17.3</td>
</tr>
<tr>
<td>Q4 2021</td>
<td>15.0</td>
<td>16.4</td>
</tr>
</tbody>
</table>

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

- AkzoNobel: ~17x
- Average US peers*: ~14x

* 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

- 2021-23 market CAGR at 6%*
- Pricing initiatives
- Growth portfolio adds 1% CAGR
- Sustainable innovation
- 150 bps ROS expansion versus 2020
- Integrated supply chain
- Product management

* Source: Orr & Boss, internally reduced forecast. Assumes no significant market disruption.
Appendix
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 operating income is operating income excluding identified items.
- Adjusted EBITDA is operating income excluding depreciation, amortization and identified items.
- Adjusted EBITDA margin is adjusted EBITDA as percentage of revenue.
- Constant currencies calculations exclude the impact of changes in foreign exchange rates.
- 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; ROS excluding unallocated cost was reported in relation to the Winning together: 15 by 20 strategy and is no longer reported.
- 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 2021-2023

- Revenue growth ≥ market CAGR*
- €2bn adjusted EBITDA for 2023
- 150 bps ROS expansion versus 2020
- Effective tax rate ~26%
- Capital expenditures ~3% of revenue
- Dividend policy “stable to rising”
- Leverage 1-2x net debt/EBITDA

Assumes no significant market disruption.

* Orr & Boss, internally reduced forecast.