

SASB - CHEMICALS Sustainability Accounting Standard Framework

Table 1: Table 1. Sustainability Disclosure Topics &

Area and accounting metric	Category	Unit of measure	SASB Code	Data	Notes	Source
Greenhouse Gas Emission						
Gross global Scope 1 emissions	Quantitative	Metric tons (t) CO ₂ -e, 2 (%)	RT-CH-110a.1	1) Scope 1 emissions: 64, 510 Metric tons Per ton on production: 19.27 kg/ton		https://report.akzonobel.com/2021/ar/sustainability/sustainability-performance-summary/planet.html
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/a	RT-CH-110a.2	We're committed to halving our carbon emissions by 2030, so we're constantly striving to improve our energy efficiency and conversion to renewable electricity. We have approved Science Based Targets to reduce our emissions by 50% across our entire value chain.	In 2021, we reduced carbon emissions in our operations by 3% (relative) versus 2020, mainly through conversion to renewable electricity and footprint optimization. This means we've achieved a reduction of 21% compared with the 2018 baseline – bringing us closer to our 2025 interim ambition of 25%. Our Science Based Targets are aligned with the Paris agreement and follow the 1.5°C scenario. Furthermore, our ambition doesn't rely on offsetting methodologies to reduce our emissions.	https://www.akzonobel.com/en/about-us/sustainability/esg https://report.akzonobel.com/2021/ar/sustainability/planet.html https://report.akzonobel.com/2021/ar/sustainability/paint/carbon-emissions-in-our-value-chain.html
Air quality						
Air emissions of the following pollutants: (1) NOX (excluding N2O) (2) SOX (3) volatile organic compounds (VOCs)	Quantitative	Metric tons (t)	RT-CH-120a.1	1) NOX: 0.07 kiloton 2) SOX: 0.03 kiloton 3) VOC: 0.96 kiloton	NOx and Sox emissions have remained insignificant over the past years, we continue to monitor these emissions as we considered they have an impact on biodiversity. VOCs emissions, we achieved a 6% (relative) improvement versus 2020 in VOC emissions per ton of product in our own operations, and a total of 41% (relative) versus the 2018 baseline.	https://www.akzonobel.com/en/about-us/sustainability/sustainability-reporting https://report.akzonobel.com/2021/ar/sustainability/planet/carbon-emissions-in-own-operations.html
Energy Management						
(1) Total energy consumed (2) percentage grid electricity (3) percentage renewable (4) total self-generated energy	Quantitative	Gigajoules (GJ), (%)	RT-CH-130a.1	1) Total energy consumed: 6.33 1000TJ = 6330000000 GJ 2) Percentage Renewable Energy: 37% 3) Percentage of Renewable Electricity: 45%	We're aiming to cut our energy use by 30% by 2030 (baseline 2018). We've reduced energy per ton of production by 1% (relative) versus our 2018 levels. In 2021, our overall relative energy use remained at 1.83 TJ per ton of production, compared with 2020. However, due to the centralization of electricity procurement, part of the stores organization was elevated above the materiality threshold and was therefore included in our energy reporting as of 2021. This resulted in an increase of 3.5%, leading to the reported 1.89 TJ per ton of production. By the end of 2021, 44 of our locations use 100% renewable electricity, with 23 sites using solar panels as a supplementary source of energy. We plan to increase this number in the near future.	https://report.akzonobel.com/2021/ar/sustainability/sustainability-performance-summary/planet.html https://report.akzonobel.com/2021/ar/sustainability/planet/carbon-emissions-in-own-operations.html
Water Management						
(1) Total water withdrawn (2) total water consumed and percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m ³), (%)	RT-CH-140a.1	(1) Total water withdrawn: 9560000000 (2) Total water consumed: 1270000000 3% of fresh water use is in regions rated extremely high	Note: Our ambition is to reuse water at all our most water intensive sites. We mainly use water for cooling (77%, chemically unchanged) at a handful of our production locations in low water risk areas. We use the Aqueduct water risk atlas developed by the World Resources Institute to assess the level of risk related to water at our production locations. Around 10% of our sites are in areas rated "extremely high" for overall water risk (with standard weighting factors) These account for 3% of our fresh water use	https://report.akzonobel.com/2021/ar/sustainability/planet/waste-and-water-management.html https://www.akzonobel.com/en/about-us/sustainability/esg
Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Quantitative	Number	RT-CH-140a.2	N/a	Any environmental incident of non-compliance is recorded as Regulatory action level 4. In 2021 we recorded zero incidents	https://report.akzonobel.com/2021/ar/sustainability/sustainability-performance-summary/people.html

Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/a	RT-CH-140a.3		<p>The importance of water management is recognized across our supply chain. We've taken significant steps towards water stewardship by endorsing the UN's CEO Water Mandate and setting the ambition to reuse water at all our most water intensive sites. Currently, we have 47 sites that are considered water intensive per the definition, representing 75% of our total freshwater consumption. In 2021, 14 out of 47 sites have achieved total water reuse.</p> <p>We continue assess the water-related risks at our manufacturing sites and our suppliers by using the Aqueduct tool and setting water management programs in place. further details can be found in the 2021 annual report section: Climate change adaptation and water risk</p> <p>while assessing the water-related risks at our manufacturing sites and our</p>	https://report.akzonobel.com/2021/ar/sustainability/planet/waste-and-water-management.html https://ceowatermandate.org/posts/tag/akzo-nobel/
Hazardous waste management						
Amount of hazardous waste generated, percentage recycled	Quantitative	Metric tons (t) (%)	RT-CH-150a.1	<p>1) Hazardous waste generated: 31000 metric tons (31kiloton)</p> <p>2) percentage recycled: 45%</p>	Data available in our ESG reporting table. We have a target of zero hazardous waste / per ton of produce to landfill.	https://report.akzonobel.com/2021/ar/sustainability/sustainability-performance-summary/planet.html https://www.akzonobel.com/en/about-us/sustainability/-/esg
Community relations						
Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and Analysis	N/a	RT-CH-210a.1	<p>We are committed to comply with all environmental laws and regulations in every country we operate in. With our Salient Human Rights Issues assessment we have a better understanding of where the highest risks could occur in our supply chain. For example, "Negative impact on local communities" is now a stand-alone issue instead of a sub-issue under Health and Safety (the negative impacts can be broader than just health and safety).</p> <p>We aim to be a good neighbor and contribute to the well-being of communities. We work closely with local neighborhoods to manage the social impact of our business activities, address any concerns about our operations and enhance the benefits we're able to bring. We're currently conducting due diligence into our sites to identify where we have risks in order to address any possible negative impact.</p> <p>Moreover, caring for society and the communities in which we operate is a vital part of our global activity, through the social projects we run under the AkzoNobel Cares banner, our AkzoNobel volunteers work closely with partners around the world to help transform communities and make a positive impact. We aim to initiate more than 1,000 projects through AkzoNobel Cares and train more than 35,000 people in the community between 2020 and 2025.</p>		https://www.akzonobel.com/en/about-us/governance/policies---procedures/sustainability-our-core-principle https://report.akzonobel.com/2021/ar/sustainability/people/human-rights.html https://report.akzonobel.com/2021/ar/sustainability/people/akzonobel-cares.html
Workforce health and safety						
(1) Total recordable incident rate (TRIR) (a) direct employees (b) contract employees (2) fatality rate (a) direct employees	Quantitative	Rate	RT-CH-320a.1 RT-CH-320a.1	<p>(1) Total reportable injury rate (TRIR) (a) Direct employees : 0,21 / 200,000 hours (b) Contract employees 0,12 / 200,000</p> <p>(2) fatality rate (a) direct employees: 1 (b) contract employees: 0</p>	TRIR is the number of injuries resulting in a medical treatment case, restricted work case, lost time case or fatality, per 200,000 hours worked. Temporary workers are reported with employees.	https://report.akzonobel.com/2021/ar/sustainability/people/health-and-safety.html
Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks	Discussion and Analysis	N/a	RT-CH-320a.2		<p>Health and Safety is one of core values we are committed to creating a safe workplace and delivering leading safety performance. To ensure healthy working conditions for all our employees, we continue to actively manage occupational illness-related absenteeism. We've piloted a Wellness Checkpoint which supports the evaluation of psycho-social risk factors. Our top priority is the safety of our people, those we work with and those who our products are offered to. This means we carry out due diligence on thousands of raw materials – some of which are high risk – looking at how they can impact our people, our sites and the communities around them. In 2021, building on the existing Priority Substances Program and extending the focus to other sustainability-related raw material topics, we initiated the Raw Material Sustainability Group (RMSG)</p> <p>HSE&S management system: drives continuous improvement through company-wide standards, regular performance reviews, systematic data analysis, root cause analyses of incidents, training, self-assessments, annual improvement planning, independent internal audit and on-time action closure.</p>	https://report.akzonobel.com/2021/ar/sustainability/people/health-and-safety.html https://report.akzonobel.com/2021/ar/sustainability/people/human-rights.html
Product design for use-phase efficiency						
Revenue from products designed for use phase resource efficiency	Quantitative	Reporting currency	RT-CH-410a.1	2021 revenue from sustainable solutions reached €3.73Bn	In 2021, 39% of our revenue came from sustainable solutions. We launched new products with clear sustainability benefits and further reduced the use of chemical substances of concern..	https://report.akzonobel.com/2021/ar/sustainability/paint.html https://report.akzonobel.com/2021/ar/sustainability/paint/sustainable-solutions.html
Safety & Environmental Stewardship of Chemicals						

(1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances (2) percentage of such products that have undergone a hazard assessment	Quantitative	Percentage (%) by revenue, Percentage (%)	RT-CH-410b.1	1) While we don not report % of our product portfolio containing GHS we do have an audited Sustainable Product Portfolio Assessment. We identify the sustainability value we bring to our customers by using the Sustainable Product Portfolio Assessment (SPPA) framework. We co-developed the SPPA with other chemical companies and the World Business Council for Sustainable Development (WBCSD). It's now the leading sustainable portfolio framework tool in the chemical industry. The SPPA gives a holistic view of the sustainability characteristics of our product portfolio. 4% of our total portfolio has been assessed according to the SPPA methodology, the remainder is extrapolated, based on the sustainable solutions percentage of the relevant business unit (2) Hazard assessment: 100% of identified priority substances have a management plan with our Priority Substance Management program.	https://report.akzonobel.com/2021/ar/sustainability/paint/sustainable-solutions.html https://www.akzonobel.com/en/about-us/sustainability/-esg	
Discussion of strategy to (1) manage chemicals of concern (2) develop alternatives with reduced human and/or environmental impact	Discussion and Analysis	N/a	RT-CH-410b.2	1) Management of chemicals of concern: Product stewardship is our approach to ensuring product safety and its sustainability aspects are considered throughout the value chain – from raw material extraction, R&D, manufacturing, transport, marketing and application, through to end-of-life. Our Product Stewardship Continuous Improvement Tool (PSCIT) helps monitor and drive continuous improvement. Our highly acclaimed Priority Substance Program continues to help us identify and control the use of hazardous substances. It's embedded in our processes and ensures we're ahead of any changes to regulations. The governance of the program is assured by the Raw Material Sustainability Group (RMSG). 2) Development of alternatives: in 2020, we set an ambition to increase revenue from sustainable solutions to more than 50% by 2030. We decided to focus not only on our eco-premium solutions that offer significantly better sustainability benefits compared with mainstream solutions, but to focus on all solutions that bring sustainability benefits to our customers. We call this overall category "Sustainable solutions". We changed focus due to the global growth in market demand for more sustainable solutions.	https://report.akzonobel.com/2021/ar/sustainability/paint/sustainable-solutions.html https://www.akzonobel.com/en/about-us/position-statements/management-of-hazardous-substances-	
Genetically Modified Organisms						
Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	%	RT-CH-410C.1	N/a		
Management of the Legal & Regulatory Environment						
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and Analysis	N/a	RT-CH-530a.1	AkzoNobel is part of the The Dutch Sustainable Growth Coalition (DSGC), a CEO-led coalition of eight Dutch multinational corporations that want to contribute to the development of a future proof world. As part of the DSGC, we've endorsed a strong focus on sustainability and asked the Dutch government to consider the following: 1. Endorse the EU Green Deal as one of the cornerstones of the EU Recovery Plan 2 Build the COVID-19 recovery plan around an investment schedule that firmly puts our Dutch economy on the path of realizing the SDGs and the Paris Climate Agreement 3. Continue to provide long-term certainty regarding the Dutch climate agreement and measurable commitments as the EU becomes climate neutral by 2050	https://www.akzonobel.com/en/about-us/collaborations/-dutch-businesses-endorse-sustainability-in-covid-19-recovery	
Operational Safety, Emergency Preparedness & Response						
Process Safety Incidents Count (PSIC) Process Safety Total Incident Rate (PSTIR) Process Safety Incident Severity Rate (PSISR)	Quantitative	Rate	RT-CH-540a.1	In 2021 we reported process safety events in number as follows Loss of primary containment – Level 1 : 5 Loss of primary containment – Level 2: 67 Process safety event – Level 3 (including near misses): 1,621	AkzoNobel's Process safety performance indicators are aligned with international best practice. Loss of primary containment (LoPC) is the main process safety indicator at manufacturing sites, distinguishing between two levels of severity. As a leading indicator, sites also measure process safety events (PSEs), which are minor leaks or occurrences that could lead to more severe events. Our loss of primary containment (LoPC) Level 1 and 2 (number of spills) was higher than last year. The increased focus on process safety also resulted in a higher number of Level 3 (near miss) reports. These give essential input to our continuous improvement processes. The direct causes identified by our incident investigations mainly attributed the number of spills to operational discipline (35%) and asset integrity (42%). We saw an increasing trend during 2021 in spills related to handling of drums and IBCs (intermediate bulk containers) by lift trucks.	https://report.akzonobel.com/2021/ar/sustainability/people/health-and-safety.html https://www.akzonobel.com/en/about-us/sustainability/-esg
Number of transport incidents	Quantitative	Number	RT-CH-540a.2	Distribution Incidents: 14	Note: details can be found in our website reporting section ESG data https://www.akzonobel.com/en/about-us/sustainability/-esg	

Table 2. Activity Metric

Activity Metric	Category	Unit of measure	Data	Source
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Production by reportable Segment	Quantitative	Cubic meters (m ³) and/or metric tons (t)	Total Volume production in 2021: 3,348 kilotons - Decorative Paints: volume was up 6% compared to 2020 - Performance Coatings: volume was 8% higher compared to 2020	2021 Annual report