

2020 Sustainability Strategy

More value from fewer resources

Andre Veneman
LCM 2013
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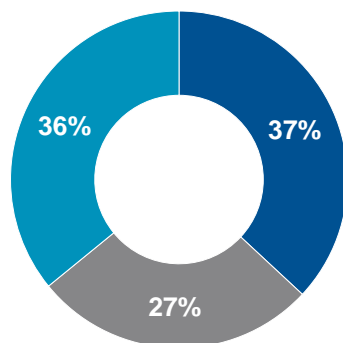


AkzoNobel today

- Revenue €15.4 billion
- 50,610 employees
- 44% of revenue from high growth markets
- Major producer of Paints, Coatings and Specialty Chemicals
- Leadership positions in many markets
- A leader in sustainability

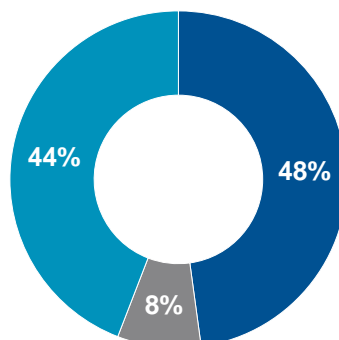


Revenue by Business Area



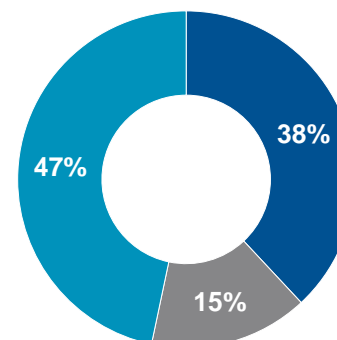
5.4% Growth
2012 vs. 2011

Operating income* by Business Area



5.9% Return on sales
(operating income/revenue)

EBITDA by Business Area**



10.4% EBITDA/revenue

- Performance Coatings
- Decorative Paints
- Specialty Chemicals

There will be increasing pressure in our end user segments to improve resource efficiency

- Resource scarcity will lead to higher resource costs
- Users will be increasingly charged for externalities

This will drive change in our end user segments by 2050* . . .



- Mandatory thermal integrity standards
- 95% of new building stock using zero net energy
- Huge increase in energy efficiency retrofitting
- <6% buildings heated with fossil fuels



- Universal access to low carbon transport
- Super efficient and aerodynamic planes
- Reductions in carbon emissions
- 80% reduction light duty vehicles
- 50% reduction shipping/freight



- People use only 5 tonnes of non-renewable materials (down from 85 in the US)
- Customers expect long lasting, efficient products
- Recycling is integrated into business models



- 4 -10 fold improvement in eco-efficiency of resources and materials from 2000
- Closed loop processes, making landfill obsolete
- Cooperation across sectors the norm

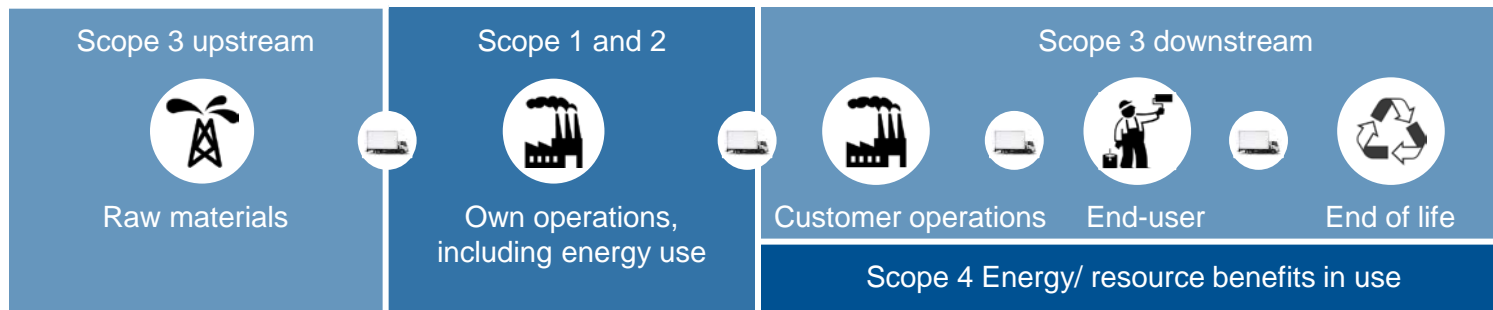
* Based on World Business Council for Sustainable Development Vision 2050

Creating more value with fewer resources

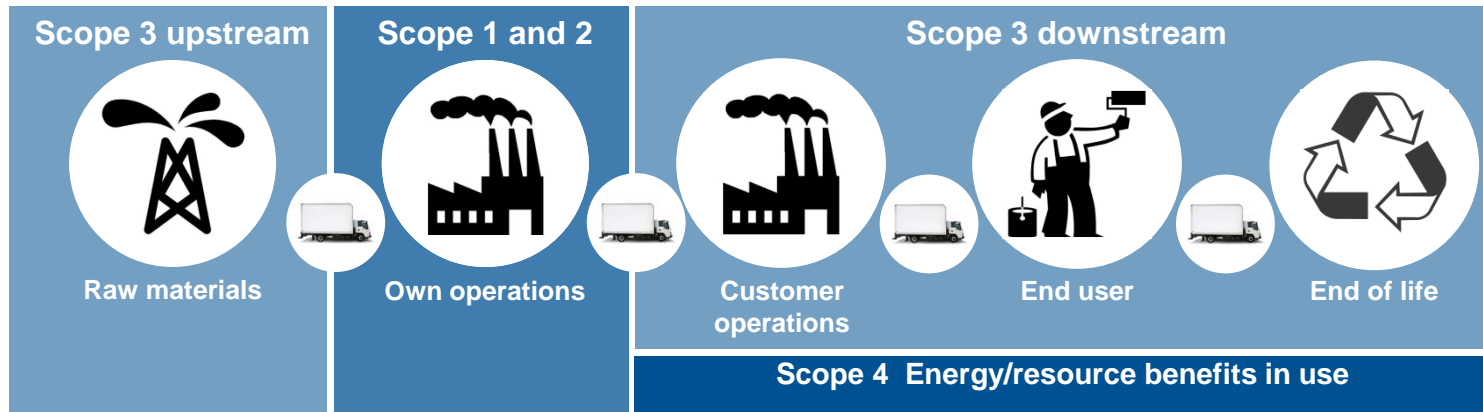
More customer value in our end-user segmentation



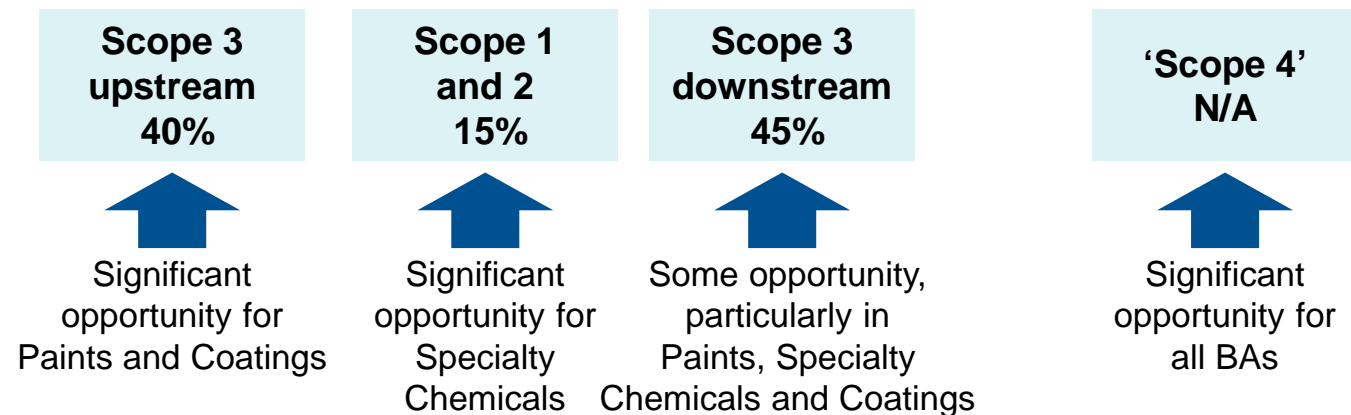
Resource scarcity across the value chain will create opportunities



The resource challenge provides a substantial business opportunity for AkzoNobel



Percentage of AkzoNobel carbon emissions



Sustainability is business, business is sustainability

Our ambitions

- **Products with a sustainability advantage for customers 20% of our revenues by 2020**

We will increase the revenue from solutions that generate direct resource and energy benefits for our customers, consumers and users

- **Reduction of carbon emissions
25-30% reduction per ton by 2020 (2012 base)**

We will reduce our carbon emissions through the value chain

- **Resource efficiency**

As of 2014 AkzoNobel will report on an innovative new index measuring how we improve resource efficiency across the full value chain - compared to the value we generate



Working in partnership



GREIF

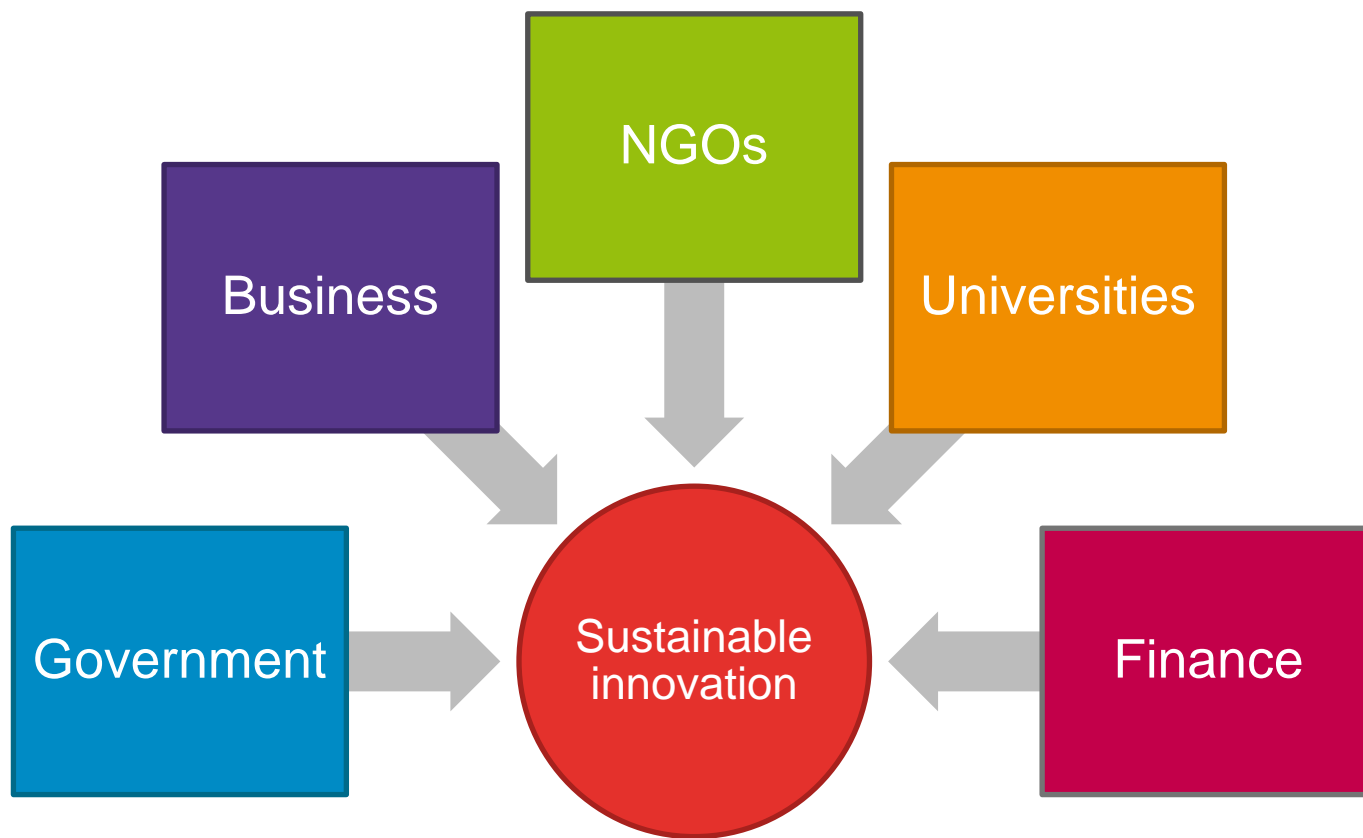


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New coalitions - new opportunities



Conclusions

- Sustainability is business and business is sustainability
- Our industry must deliver much more value from much fewer resources
- Sustainability requires collaboration throughout the value chain, in order to deliver successful products in our end-markets
- Sustainability is a major business driver – as such we will continue to use sustainability as an important measure in management remuneration

Thank you for your attention

