“It makes us really proud when we see the difference our products can make”
When you tower high above Turkey’s busiest cruise port and are the first thing seen by thousands of visiting tourists, it’s important that you look good. But for many residents in the town of Kuşadası on Turkey’s Aegean coast, what’s more important is the pleasure and pride they get from living in their homes and communities.

So when we partnered with the local Kuşadası municipality and artists from Venuart via our “Let’s Colour” program, we knew it was our job to help transform lives and create happier homes – using our passion for paint to make a difference.

The project focused on brightening up the hilltop neighborhood of Tepe, where more than 400 living spaces – and the lives of 2,000 residents – have been revitalized. That’s what our “Let’s Colour” program is all about. It uses the power of color to energize people and communities. More than 81 million people around the world can already testify to the benefits it brings.

“We love making living spaces more social, pleasurable and habitable, while also inspiring and motivating people through the use of color,” says AkzoNobel’s Chief Operating Officer, Ruud Joosten. “It makes us really proud when we see the difference our products can make.”

Working together with the local community, the project involved using more than 50,000 liters of our Marshall paint brand and is the biggest “Let’s Colour” activity to be staged in Turkey so far.

“This project will make a great contribution to our community," adds Kuşadası Mayor, Özcer Kayalı. “Tepe is the first place seen by tourists when they arrive at Kuşadası port. It makes for a striking panorama, so it’s a crucial location for us. I would like to extend our gratitude to Marshall and Venuart for bringing the “Let’s Colour” project to our town.”

The transformation of Tepe is Marshall’s seventh project under the “Let’s Colour” banner since the program first became active in Turkey in 2010. It will bring the total amount of paint used for the company’s “Let’s Colour” projects globally to well over 1.3 million liters. Nearly 2,300 “Let’s Colour” projects have been completed around the world to date, involving more than 12,000 volunteers.
Airline art reached new heights after we teamed up with aircraft maker Embraer to paint four of its recently launched E190-E2 commercial jets. You can’t exactly hang them on your wall, but they do qualify as masterpieces of creative design.

The eye-catching artworks – displaying an eagle, a tiger, a shark and a snow leopard – were painted with products from our Alumigrip and Aerodur ranges. They showcase the amazing artistry of Clodoaldo Quintana, an in-house technician at Embraer who has been described as having “the artistic talent of a modern day Renoir.” It took him 20 days to finish the eagle, while for the shark and tiger it was around ten days each.

“All the designs were applied at Embraer’s facility in São José dos Campos, Brazil, which houses a dedicated AkzoNobel color center. It’s manned by a small team who work with Embraer to offer local technical support, color development and paint mixing. Having this available on site helps to reduce the cycle time between ordering a new color and having it ready to be applied to an aircraft by 90%.

“We have a long-standing relationship with Embraer and were thrilled to be involved in this amazing project,” says John Griffin, Managing Director of AkzoNobel’s Aerospace Coatings business. “We pride ourselves on supplying fit-for-purpose, long-lasting color performance and protection. The new animal designs are a fantastic example of this expertise.”

As well as developing the colors and supplying all the products needed to create the striking airline art, our industry-leading base coat/clear coat system was also painted onto the exterior of the four jets.

“This project was a huge challenge for us and the quality of the paints was key to achieving the results we wanted”

Rodrigo Silva e Souza, Marketing Vice-President, Embraer
Launched in partnership with KPMG, the annual challenge will give the winners the chance to enter into a joint development agreement with AkzoNobel. It’s focused on five key areas:

- SMART APPLICATION
- ENHANCED FUNCTIONALITY
- CIRCULAR SOLUTIONS
- LIFE SCIENCE INFUSION
- PREDICTABLE PERFORMANCE

Open to early stage tech companies and institutes around the world, the collaborative approach will benefit both sides, with the company committed to working with the winners on sustainable business opportunities.

The finalists will be invited to attend a special awards event in May 2019, when the winners will be announced.

For more information, visit www.letspaintthefuture.com

Think paint is just paint? Think again. Our products can already clean the air, withstand extreme heat, reduce fuel consumption and cope with conditions on Mars. Now we’re going even further.
The future of fouling prevention has never really had a place in the pages of science fiction. Which is interesting, because we’re working on an exciting innovation which is on the verge of becoming science fact – and wouldn’t look out of place in certain comic book adventures.

Since early 2018, we’ve been developing revolutionary technology designed to eliminate fouling growth from the underwater surface of ocean-going vessels. The secret weapon? Ultraviolet light-emitting diodes (UV-LEDs).

The pioneering solution obtains its superpowers by combining our cutting-edge surface protection and adhesion know-how with underlying technology developed by Royal Philips. The intention is to integrate UV-LEDs in a protective coating and laminate scheme which will allow for UV light to be emitted from the vessel’s surface – providing total prevention of biofouling accumulation on the surface of the protected area.

Recent sea trials have produced impressive results, and with stage two vessel trials already underway, the project is on course to deliver a first commercially viable solution by around 2023.

The implications are huge, because biocidal-free total control of biofouling would represent a substantial economic and environmental benefit for ship owners and operators – not to mention the positive impact on our planet. All of which are inherent in our sustainable approach to doing business.

“This is an exciting project which is fully aligned with our continuous focus on innovation,” explains Klaas Kruthof, AkzoNobel’s Chief Technology Officer. “Combining our capabilities with Royal Philips’ technology will enable us to accelerate the realization of this transformative innovation, which has the potential to completely revolutionize the fouling control industry.”

Initially, the focus will be on applications for ships, yachts and offshore assets, but the project will be extended to include other surfaces and areas challenged by biofouling issues. More partners will also be joining to add essential capabilities and accelerate the development.
When it comes to innovation, our Asian technology centers are hotbeds of invention and creativity. Located in Shanghai, China, and Bangalore, India, they’re bursting with exciting product developments, helping us lead in our paints and coatings markets with boundary-pushing know-how and expertise.

Serving the growing demand from customers for integrated and tailor-made solutions in Asia and around the world, these centers are equipped with a full array of state-of-the-art material analysis and performance testing facilities.

The Shanghai Technology Center is one of our major hubs, and a driving force in building our company’s innovation capabilities. Its various labs help us deliver quality products to our customers. In line with China’s environmental protection regulations, it focuses on eco-premium solutions, such as water-based and powder coatings products.

A great example is Forest Breath, which was developed by our decorative paints lab. It’s a formaldehyde-free, low emission indoor paint which helps clean the air inside homes and protects against germs. Since the product’s initial launch in 2016, we’ve seen competitors trying to replicate our success. But we’re staying well ahead, and have now raised the level of air quality we can achieve.

That significant improvement in performance means our current products have been upgraded to pass the internationally-recognized GREENGUARD Gold Class and French A+ Class emission certifications – and our customers can continue improving their indoor environments.

Meanwhile, our Bangalore Technology Center has grown significantly since first opening in 2002. It now includes a whole suite of product and service development areas, working mainly on color and achieving the perfect color match.

The facility houses central color teams for all our coatings businesses – so our experts in Bangalore are working for customers across many industries. The color lab is truly unique, developing hundreds of thousands of colors, all in one location.

Achievements at the site include introducing universal colorants for our Marine and Protective Coatings business; formulating coatings for consumer electronics using a tool we developed in our lab; and even using artificial intelligence to create new color formulas.

That’s just a small taste of what’s happening at our technology hubs in Asia. All geared towards discovering new opportunities and creating value for our customers.
History was made at Westminster Abbey in London during 2018 with the first significant addition to the famous church since 1745. The new £23 million Weston Tower features 500 leaded windows – and every single window frame is protected with our Interpon powder coatings.

History was made at Westminster Abbey in London during 2018 with the first significant addition to the famous church since 1745. The new £23 million Weston Tower features 500 leaded windows – and every single window frame is protected with our Interpon powder coatings.

The tower provides staircase and lift access to the Queen’s Diamond Jubilee Galleries, located in the medieval Triforium – an area 16 meters (52 feet) above the abbey’s floor, which has been unused for centuries. More than 300 precious regal and religious artifacts are on display in the “hidden” attic space, which deftly winds its way around the rafters.

Described by some as a “gothic space rocket” and a “steampunk tower”, the new addition has been expertly slotted between the 13th century chapter house and the 16th century Lady Chapel by architect Ptolemy Dean.

Its leaded windows are based on Christopher Wren’s late 17th century additions to the abbey. They sit in frames powder coated with our Interpon D2525 Anodic Bronze finish and BPP600 barrier primer, which provide a perfect color match and long-lasting protection. The use of powder coatings also offers inherent sustainability benefits, such as no solvent emissions and hardly any waste during the application process.

“As the leader in powder coatings, we are very proud to have contributed to such a significant project, which is integral to the history of the UK,” says Daniela Vlad, Managing Director of the company’s Powder Coatings business. Adds the Very Reverend Dr. John Hall, Dean of Westminster: “The views are breathtaking; the space astonishing; the displays fascinating. Visitors can now gain far greater insight into the life and history of the abbey than ever before.”

Westminster Abbey is one of the world’s great churches, welcoming over two million worshippers and visitors annually. It’s the latest in an impressive list of London landmarks to feature our coatings. We’ve already supplied products for the London Eye, the Shard, the Gherkin and Wembley Stadium, to name just a few.
The Queen’s Diamond Jubilee Galleries are located in a part of the abbey which has never been open to the public before.
RAISING THE BAR WORLDWIDE

At AkzoNobel, we share the simple, deeply rooted belief that doing the right thing is a moral imperative – and can also be good for our business. That’s why we operate from a foundation of core principles: sustainability, safety and integrity, including respect for human rights.

As an employer, manufacturer, business partner and member of communities globally, we understand that we have many significant roles to play in society. It’s a big responsibility, and an even bigger opportunity to make the world a better place.

“Our focus on human rights in particular helps us to be a good corporate citizen,” explains Siham Lotfi, our Global Head of Human Rights. “Being the reference in our industry doesn’t just apply to our products and services. It also means being a leader in terms of respecting human rights when doing business – as well as meeting growing customer expectations on the issue.”

Siham adds that in some cases, large international companies can have an even bigger impact on human rights than people may realize. “Our high standards on human rights can cross borders, and we can also influence partners to follow in our footsteps,” she continues.

AkzoNobel is committed to having human rights respected across the entire value chain. Efforts are championed by senior leadership, with our Executive Committee directly overseeing the work of a dedicated Human Rights Committee.

“We want to lead our industry in all relevant areas, including sustainability and integrity,” notes Siham. “That means we must respect human rights when doing business.”

For more details on our approach to human rights, see page 171.
A MORE SUSTAINABLE FUTURE FOR ALL

Introduced in 2015, the Sustainable Development Goals (SDGs) developed by the United Nations are a blueprint for achieving a better and more sustainable future. They’re a universal call to action to end poverty, protect the planet and address global challenges, so that all people can enjoy peace and prosperity.

We believe the SDGs set a clear direction for a more sustainable society – and they have our full support. They provide a clear compass for business growth and development and are in line with our own agenda of creating shared value.

Strongly embraced by the business world, the SDGs are now an integral part of the global development agenda and form the accepted framework for public and private collaboration. And while they’re universal, we recognize that different countries have different priorities in terms of development needs. So we base our marketing and innovation decisions on our understanding of the development needs of the markets where we operate – using local insight to tailor the solutions we offer.

For example, the SDGs help guide the innovation roadmaps we develop. Because in order to understand and identify technology requirements, we must know more about future societal development needs. It’s all about making informed innovation choices – and the SDGs provide a unique perspective on the future.

As a company, we continue to focus on those SDGs where we can have the biggest positive impact. This approach builds on our core principles of sustainability, safety and integrity, including respect for human rights. We’re convinced that our sustainability agenda – which is now focused purely on our paints and coatings activities – is a key driver for business development, innovation and growth. The SDGs will therefore continue to help us take our industry forward and ensure that sustainability remains firmly at the heart of all we do.

We can have the biggest positive impact on the following SDGs:

11 Sustainable cities and communities:
The majority of our products are used in the buildings and infrastructure sector. Our focus on helping to create green buildings means we can have a major positive impact on cities and communities. This includes improving the energy efficiency of buildings through the use of heat-reflective coatings, as well as interior wall paint which can improve the health and well-being of residents.

12 Responsible consumption and production:
There are huge opportunities in applying the principle of circularity across our entire value chain. For example, when sourcing raw materials, we can join forces with our suppliers to increase the share of bio-based materials and recycled content. We must learn to make better use of these materials.

But above all, it’s about better performance, durability and long-term protection of the underlying substrate, be it wood or metal. This can include coatings that reflect heat, lower fuel use, lessen friction or create insulating capacity. It’s also about solutions being non-hazardous, enabling furniture, transport or building materials to be reused and recyclable. Coatings should be an enabler to preventing products becoming waste.

17 Partnerships for the goals:
We must collaborate to scale up action across the SDGs. With other leading companies and the World Business Council for Sustainable Development (WBCSD), we developed a roadmap for the chemical sector’s contribution to the SDGs. Other partnership examples include our collaboration with The Ocean Cleanup; Black Bear to generate carbon black from old tires; and joint research with Dutch universities as part of the Chemical Building Block Consortium to develop bio-based resins from crustaceans and wood.
A RECORD-BREAKING JOURNEY TO BE PROUD OF

When we became the first team to enter the 2017-18 Volvo Ocean Race, we knew we were in for an incredible ride. In the end, our campaign was more remarkable than we could have ever imagined.

We finished fourth overall, while also helping to increase global understanding of ocean health. But that hardly tells the full story. On the way, we achieved five podium finishes in the space of six legs (including a leg win), as well as making Volvo Ocean Race history by setting a new 24-hour distance record. As the official supplier of coatings for the seven teams, our products also made a huge contribution during every thrilling maneuver of the 83,000-kilometer race around the world.

Given our long association with the sea, it was fitting that AkzoNobel not only took part, but also became one of the main partners of the race’s sustainability program. We supplied more than 7,000 liters of our International and Awlgrip products during the course of the competition, having developed custom colors for all the competing teams. We even launched a new Awlgrip product during the stopover in Itajaí, Brazil. On a company level, we welcomed 2,000 guests (including 1,500 customers) to the race villages and generated over €74 million of media value.

Team AkzoNobel was also one of two boats (along with Turn the Tide on Plastic) to be fitted with additional specialist equipment designed to measure the state of the world’s oceans. It was all part of a dedicated science program which has since gone on to win several awards. Between them, the two boats took 86 samples, and scientists found that 93% contained levels of microplastics. The aim of the research was to further our understanding of the extent to which microplastic pollution has now touched even our remotest oceans.

Unsurprisingly, our sailors were in big demand when they weren’t out on the water. They took part in two beach clean-ups with our employees, visited some of our sites and took part in a number of community projects. And, as the race progressed, they became a genuine source of inspiration as they showed the true value of teamwork and winning together.

“It’s very special to compete at this level and it was a privilege to have been part of team AkzoNobel,” said watch captain and now six-time Volvo Ocean Race veteran, Chris Nicholson. “One of the most rewarding aspects of the race is to see people challenged and work together as a team to overcome those obstacles and achieve amazing things. We showed the ability to learn and improve and not allow setbacks to check our progress. Everyone involved has a lot to be proud of.”

“One of the most rewarding aspects of the race is to see people challenged and work together as a team to overcome those obstacles and achieve amazing things”

<table>
<thead>
<tr>
<th>Top three finishes</th>
<th>Total amount of International and Awlgrip paint used during the race</th>
<th>Number of custom made colors developed for the race by AkzoNobel</th>
<th>Leg wins</th>
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<td>6</td>
<td>7,000+ liters</td>
<td>26</td>
<td>1</td>
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RECORD BREAKERS!

602.51 nautical miles in 24 hours

Volvo Ocean Race leg nine, May 28, 2018
A MEMORABLE YEAR FOR OUR ART FOUNDATION

In 2018, the AkzoNobel Art Foundation and its Art Space in Amsterdam became part of the company’s heartbeat more than ever before. Located at the AkzoNobel Center, the Art Space has welcomed over 120,000 visitors, celebrating its diversity both internally and externally.

The year’s main highlight was the launch of the current Common Ground exhibition, which was officially opened by the Dutch Minister of Education, Culture and Science, Ingrid van Engelshoven. The event was hosted by AkzoNobel CEO and Chairman of the Art Foundation, Thierry Vanlancker.

Other memorable moments this year included the Oso Couture Fashion Show, the premiere of the Common Ground documentary and various sustainability and educational programs for national and international schools and universities – including the Gerrit Rietveld Academie and the Barlaeus Gymnasium.

“We’re looking forward to 2019,” says Hester Alberdingk Thijm, Director of the AkzoNobel Art Foundation. “We plan to continue setting up exhibitions, contributing to worthwhile multidisciplinary projects and, above all, remaining a visible and inspiring presence for AkzoNobel and the outside world. We are grateful for the opportunity to let the art speak its universal language and show the genuine passion for paint we’ve had at the Art Foundation since 1995!”