



# Position Statement

**AkzoNobel**  
Tomorrow's Answers Today

## Climate and Man-made Carbon Emissions

AkzoNobel recognises that the effects of climate change are likely to have fundamental impacts on the global environment, society and the economics of industrial activity. We need to move beyond controlling emissions from our own operations towards managing the strategic risks from dependence on fossil fuels and fossil based raw materials throughout our product chains. In line with our commitment to develop eco-efficient solutions for customers, the company acknowledges the societal imperative as well as the business opportunity of managing our carbon footprint through innovative products, technology and energy management.

AkzoNobel realizes that its manufacturing processes are part of larger, often complex value chains. Therefore it is committed to measure and report its carbon footprint on a cradle-to-gate basis and to measure the carbon impact of major downstream applications to help customers reduce their footprints.

AkzoNobel commits to using a structured and consistent approach to reducing its carbon footprint. This commitment has been made explicit in a set of targets and ambitions for the period 2009 – 2020:

- AkzoNobel will measure the cradle-to-gate carbon footprint of its key value chains in 2009 and update these measurements every 3 years.
- AkzoNobel will reduce its cradle-to-gate carbon footprint by 10 % per metric ton of product by 2015 compared to 2009.
- AkzoNobel aims to control its absolute scope 1 & 2 greenhouse gas emissions (based on its current business portfolio) no higher than 2009 levels by offsetting organic growth entirely by energy efficiency and fuel mix improvements.
- AkzoNobel strives for a paradigm shift in carbon management through continuous innovation, aiming to reduce cradle-to-gate carbon footprint by 20-25 % per ton of product by 2020, compared to 2009.
- AkzoNobel will provide carbon-efficient solutions to customers contributing to the existing AkzoNobel objective of 30 % annual sales from eco-premium solutions by 2015.

A comprehensive overview of AkzoNobel's approach to Carbon Monitoring, Carbon Management and Carbon Reporting is included in its Carbon Policy.

The Board of Management has explicit oversight responsibility for the company's Carbon Policy, given the strategic impact of climate change and carbon pricing. Each Business Unit manager is responsible for developing and implementing a Carbon Management Plan in line with this framework policy.

AkzoNobel actively communicates its carbon policy, management approach and performance to staff, customers, investors & the general public and encourage dialogue.

### Notes:

Carbon footprint is the global warming potential (measured as equivalent tonnes of CO<sub>2</sub>) of the main greenhouse gases identified in the Kyoto Protocol.

Cradle to gate includes raw materials extraction, processing and supply, our own operations

Organic growth includes all AkzoNobel approved production expansions, but excludes acquisitions.