

Media release

August 16, 2017

AkzoNobel reaches agreement with Elliott

AkzoNobel today announces it has reached an agreement with affiliates of Elliott Advisors (UK) Limited (collectively "Elliott") following recent constructive dialogue, with the aim of normalizing the relationship with its shareholders.

The agreement includes alignment on the AkzoNobel strategy to fully separate Specialty Chemicals. In addition, Elliott will support the appointment of Mr. Thierry Vanlancker as a member of the Board of Management of AkzoNobel at the upcoming Extraordinary General Meeting on September 8, 2017.

AkzoNobel and Elliott have also agreed, subject to the terms of a standstill agreement, to seek to suspend all ongoing litigation for at least three months.

AkzoNobel [today announces](#) two [new nominations](#) to its Supervisory Board. Elliott supports their appointment.

Further, AkzoNobel intends to nominate a third Supervisory Board member, which will be done in consultation with the Company's major shareholders, including Elliott.

Antony Burgmans, Chairman of the Supervisory Board of AkzoNobel, commented:

"I am pleased our recent constructive discussions with Elliott improved understanding between both parties. AkzoNobel remains focused on creating two world-class, high-performing businesses; Specialty Chemicals and Paints and Coatings. We look forward to a continued constructive relationship focused on creating value for all shareholders and other stakeholders. This agreement is fully in line with our ongoing program to strengthen and maintain a constructive dialogue with all our shareholders. We look forward to a successful EGM on September 8."

Gordon Singer, CEO of Elliott Advisors (UK) Limited, added:

"Elliott is pleased to have entered into today's standstill agreement with AkzoNobel. We believe AkzoNobel will benefit from the addition of the Supervisory Board nominees. Today's agreement marks an important next step in positioning AkzoNobel for success and enabling the Company to deliver compelling value to all its stakeholders. As shareholders, we look forward to building upon the recent constructive dialogue with the Company."

This agreement follows a wide-ranging set of measures previously outlined by AkzoNobel on July 25, 2017 designed to strengthen and maintain a constructive dialogue with its shareholders.

About AkzoNobel

AkzoNobel creates everyday essentials to make people's lives more liveable and inspiring. As a leading global paints and coatings company and a major producer of specialty chemicals, we supply essential ingredients, essential protection and essential color to industries and consumers worldwide. Backed by a pioneering heritage, our innovative products and sustainable technologies are designed to meet the growing demands of our fast-changing planet, while making life easier. Headquartered in Amsterdam, the Netherlands, we have approximately 46,000 people in around 80 countries, while our portfolio includes well-known brands such as Dulux, Sikkens, International, Interpon and Eka. Consistently ranked as a leader in sustainability, we are dedicated to energizing cities and communities while creating a protected, colorful world where life is improved by what we do. AkzoNobel had total revenues of €14.2 billion in 2016: Specialty Chemicals - €4.8 billion, Decorative Paints - €3.8 billion, Performance Coatings - €5.7 billion.

Not for publication – for more information

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Safe Harbor Statement

This press release contains statements which address key issues such 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 forecasted 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. 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 our website: www.akzonobel.com.