

AXALTA COATING SYSTEMS



2023-2024

# Sustainability Report

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### About this Report

Axalta publishes this Sustainability Report to keep our stakeholders and other interested parties apprised of our efforts and progress across sustainability topics. This report covers our global operations for the fiscal years ended December 31, 2023, and December 31, 2024, respectively, unless stated otherwise. Environmental data in this report includes 46 of 47 manufacturing and technology locations. Facility counts differ as some manufacturing locations are collocated with technology locations.

### This report was developed in alignment with leading sustainability reporting standards and frameworks, including:

- Global Reporting Initiative (GRI);
- Sustainability Accounting Standards Board (SASB), now part of the International Financial Reporting Standards (IFRS); and
- Task Force on Climate-Related Financial Disclosures (TCFD), now part of the IFRS.



AXALTA SUSTAINABILITY REPORT 2023-2024

# Introduction to Axalta



# CEO Letter

Dear Stakeholders,

I am pleased to present Axalta's 2023-2024 Sustainability Report, which reflects our commitment to transparency, responsible operations and sustainable innovation. As a leading supplier of liquid and powder coatings, we deliver solutions that enhance productivity and performance while minimizing environmental impact. We embrace the challenge to lead with innovation and resilience, guided by our purpose to innovate smarter surface solutions for better living and a more sustainable future.

In recent years, our employees have unified around the A Plan—our strategy built on five core pillars: cultural transformation, operational excellence, portfolio optimization, sustainable innovation, and disciplined capital allocation. Guided by the A Plan, Axalta achieved record-breaking financial results in 2024.

Sustainable innovation is central to our strategy as a core pillar of the A Plan. We continue to invest in research and development (R&D) as we progress toward our target that 80% of new technology and innovation developments will deliver sustainability benefits. Our products are designed to meet precise customer specifications, extend the life of the assets they coat and support our customers' ability to advance their own sustainability goals. We are continuously recognized for our sustainable innovation across end markets.

Safety is paramount at Axalta—the well-being of our employees is our greatest responsibility. Rallying around the A Plan, we have fostered an environment where every employee is engaged and empowered to uphold safe operating practices. This cultural shift has driven measurable improvements as we reduced our injury rate among employees by approximately 50% in 2024 compared to 2022. Our commitment to achieving Zero Incidents has never been greater.

***“Sustainable innovation is central to our strategy as a core pillar of the A Plan.”***

This year, we are introducing refreshed sustainability goals, aligned with our A Plan and corporate strategy. These goals focus on enhancing customer value through innovation, improving operations, and strengthening our value chain. By realigning our goals with our capabilities and strategy, we ensure that our commitments are not just aspirational, but achievable—supporting measurable progress and accountability.

Guided by the A Plan, I am confident in our ability to deliver innovative solutions, drive sustainable progress and create lasting value. Thank you for your partnership as we advance on our sustainability journey.

Sincerely,



**Chris Villavarayan**

Chief Executive Officer and President



# About Axalta

Axalta Coating Systems Ltd. (“Axalta Coating Systems®,” “Axalta®,” the “Company,” “we,” “our,” and “us”) is a leading global manufacturer, marketer, and distributor of high-performance coatings systems and products. For over 150 years, Axalta Coating Systems has provided our valued customers with creative, innovative, and sustainable coating solutions. We continue to develop innovative coating technologies designed to enhance the performance, appearance, and sustainability attributes of our valued customers’ products, while improving their productivity and profitability.

Axalta has a diverse and global footprint. With our headquarters in Philadelphia, Pennsylvania, the Company as of December 31, 2024 spanned 44 manufacturing facilities, four major technology centers<sup>1</sup>, and 45 customer training centers and is supported by approximately 12,800 team members, allowing us to meet the needs of customers in over 140 countries. In 2024, Axalta integrated our headquarters with our Global Innovation Center to unify operations and streamline decision-making at a global scale under the ONE Axalta mission. Our 100,000+ customers rely on our coating products and services for a wide range of applications, from coatings for light and commercial vehicles to high-performance finishes for industrial and vehicle repair markets.

## Segments & Customers We Serve

### Performance Coatings



#### Refinish

- Body shops
- Independent shops
- Multi-shop operators
- Light vehicle dealerships
- Our company-owned stores in EMEA & Central America

#### Industrial

- Building products
- Construction
- Battery solutions
- Transportation
- General metal finishing

### Mobility Coatings



#### Light Vehicle

- Automotive light vehicle original manufacturers (OEM) and automotive plastic suppliers

#### Commercial Vehicle

- Heavy duty truck (HDT)
- Medium duty truck (MDT)
- Bus
- Rail
- Motorcycles
- Marine and aviation
- Trailers
- Recreational vehicles
- Personal sport vehicles

<sup>1</sup> Environmental data in this report includes 46 of 47 manufacturing and technology locations. Facility counts differ as some manufacturing locations are collocated with technology locations.

# Axalta at a Glance

We believe that creating a better world starts with the surface. Smarter surfaces have the power to extend the life of the objects that matter most and change the way we live.

At Axalta, we continuously innovate to help protect, improve, and advance everything we see and touch. Across our businesses - Refinish, Mobility, and Industrial - we utilize technologies and processes to develop innovative products that help accelerate our customers' businesses, support the people they serve, and protect our planet.

**We make smarter surfaces for a better world.**



**\$5.3B**  
Net Sales



Products sold in  
**140+ countries**



**~12,800**  
Employees



Partnering with  
**93,000**  
**Body Shops**

Supplier for the  
**Top 10**  
OEM manufacturers



**4**  
Major R&D Centers



**520+**  
Trademarks



**~680**  
Active Patents

All figures represent fiscal year 2024 unless otherwise specified.

# 2026 A Plan

## Strategy Rooted in Sustainable Innovation

In 2024, Axalta launched the 2026 A Plan, a three-year strategic framework designed to accelerate performance and reinforce our position as an industry leader.

The plan is built on five interconnected growth pillars that serve as the foundation of every major decision we make, including the evolution of our sustainability strategy.

The integration of the A Plan has driven meaningful programmatic improvements, including the refresh of our sustainability strategy to reflect the core objectives of our business. Axalta is achieving excellence by channeling product innovation toward sustainability and operational efficiency; we are developing technologies that not only reduce energy use and waste but also enhance performance and reliability for our customers. This refresh ensures that our sustainability efforts are embedded across operations, product development, and strategic planning, reinforcing our role as a value-creating partner in the industries we serve.

These pillars are unified by the ONE Axalta mindset - a cultural transformation that integrates previously distinct business units into a centralized, cohesive enterprise. This transformation enhances operational efficiency, fosters innovation, and strengthens our ability to serve customers and respond to market challenges.



# Sustainability Strategy at Axalta

**As a global leader in coatings systems and products, Axalta is committed to responsible operations and sustainable innovation.**

**Guided by the 2026 A Plan, our sustainability strategy focuses on:**

- Developing innovative and sustainable products for customers;
- Managing our operational footprint;
- Prioritizing health and safety; and
- Driving ethical conduct across our value chain.

We play a critical role in many value chains and are committed to delivering sustainable solutions that help our customers meet their goals. Sustainability is a continuous journey, and we regularly update our strategy in response to evolving business priorities and stakeholder feedback. We engage with external experts and industry associations when these collaborations advance our mission and values. Our stakeholder engagement efforts reach customers, employees, investors, suppliers, and communities, each with unique sustainability interests and expectations.

The table to the right lists our critical stakeholders, how we engage with them, and selected topics of interest they have raised.

| Stakeholder Group  | Topics of Interest                                                                                                                                                                                                                                                                                                                                                                                                                      | How We Engage                                                                                                                                                                                                                                                                   |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers</b>   | <ul style="list-style-type: none"> <li>• Sustainability attributes of products and services</li> <li>• Product and service quality</li> <li>• Product development and innovation, including packaging and waste management</li> <li>• Responsible sourcing and human rights</li> <li>• On-site service and support</li> <li>• Product carbon footprint and life-cycle assessments</li> <li>• Carbon reduction and neutrality</li> </ul> | <ul style="list-style-type: none"> <li>• R&amp;D and technology partnerships</li> <li>• Sustainability discussions</li> <li>• Customer learning and development centers</li> <li>• Sales meetings</li> </ul>                                                                    |
| <b>Employees</b>   | <ul style="list-style-type: none"> <li>• Financial performance and business growth</li> <li>• Corporate governance</li> <li>• Human rights</li> <li>• Safe operations</li> <li>• Inclusion and belonging</li> <li>• GHG emissions reduction</li> <li>• Corporate investment in community organizations and activities</li> </ul>                                                                                                        | <ul style="list-style-type: none"> <li>• Town hall meetings</li> <li>• Employee intranet and online social community</li> <li>• Employee events</li> <li>• Training and development sessions</li> <li>• Annual all-employee engagement survey and action planning</li> </ul>    |
| <b>Investors</b>   | <ul style="list-style-type: none"> <li>• Financial performance and business growth</li> <li>• Corporate governance</li> <li>• Human rights</li> <li>• Climate change</li> <li>• Talent</li> </ul>                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• Annual meeting</li> <li>• Quarterly and annual reports and associated investor calls</li> <li>• Regular touchpoints, including on sustainability topics</li> <li>• Investor conferences</li> <li>• Direct investor meetings</li> </ul> |
| <b>Suppliers</b>   | <ul style="list-style-type: none"> <li>• Supplier development</li> <li>• Responsible sourcing practices</li> <li>• Sustainable materials</li> <li>• Quality expectations</li> </ul>                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>• Supplier Code of Conduct</li> <li>• Supplier screening, auditing, and contract process</li> <li>• Supplier relationship management meetings</li> </ul>                                                                                 |
| <b>Communities</b> | <ul style="list-style-type: none"> <li>• Safe operations</li> <li>• Economic benefits</li> <li>• Corporate investment in community organizations and activities</li> <li>• STEM opportunities for our youth</li> </ul>                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>• Community meetings</li> <li>• Axalta Bright Futures programming</li> <li>• Government affairs efforts</li> </ul>                                                                                                                       |

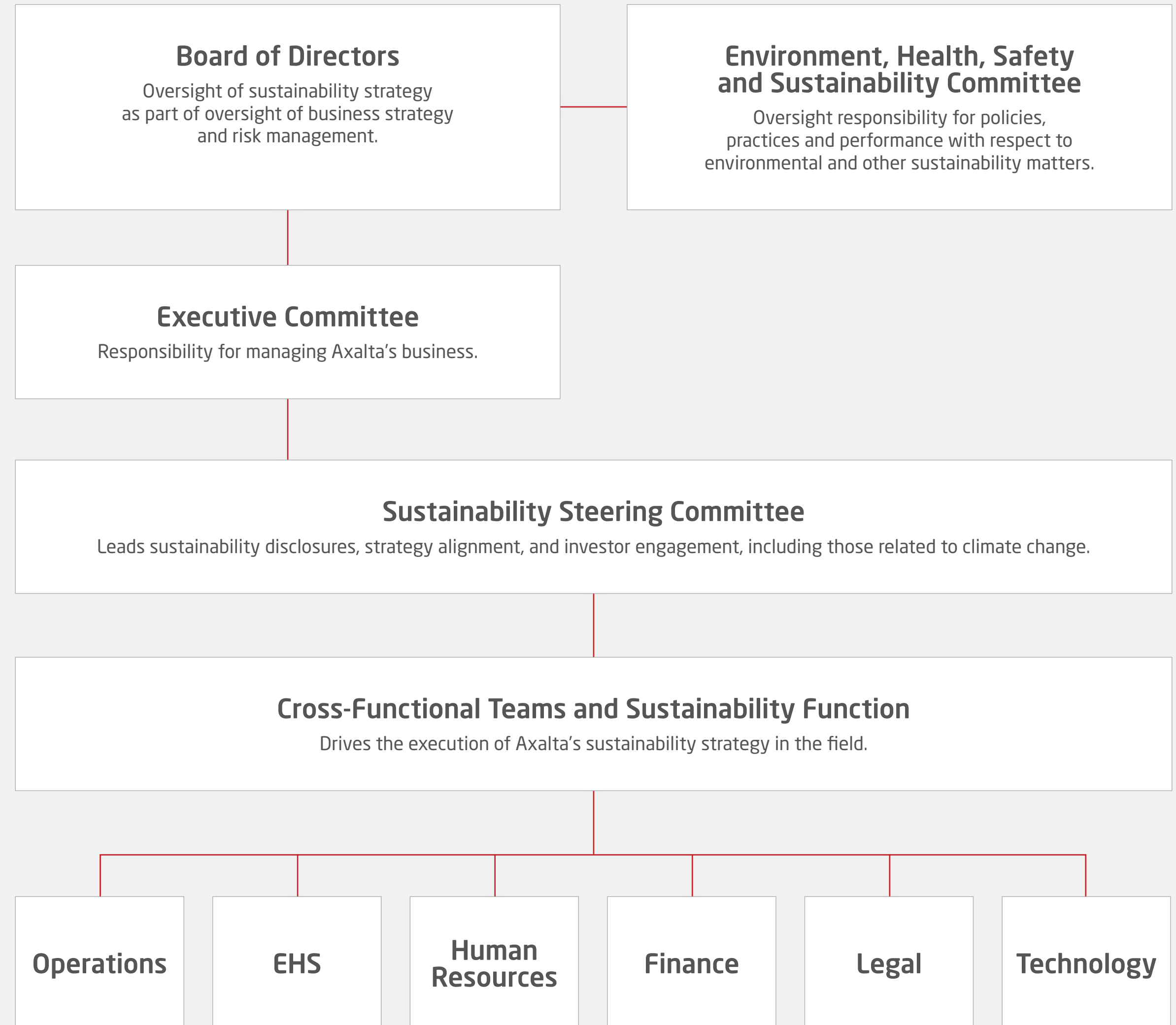
# Sustainability Oversight

We recognize that sustainability is integral to our business, and effective collaboration across our businesses, along with oversight from our Board of Directors (Board), is critical to the successful execution of our strategy. The Board oversees sustainability matters generally as part of its oversight of our business strategy and risk management, and the Board’s standing committees each oversee specific sustainability-related matters that fall within their respective areas of responsibility, focusing on the items that the Board believes are most impactful to long-term value creation.

Our Board’s Environmental, Health, Safety, and Sustainability (EHS&S) Committee oversees Axalta’s policies, goals and targets, practices, and performance related to environmental and other sustainability matters. Our Executive Committee is responsible for setting our sustainability strategy and provides updates to our Board at least annually. Cross-functional business leaders are responsible for implementing our sustainability initiatives and aligning strategy within their respective areas of focus in the field.

In addition to leadership oversight, our Enterprise Risk Management (ERM) program, overseen by the Audit Committee and discussed at least annually by the full Board, covers a wide range of potential strategic, operational, financial, regulatory, and sustainability risks to the Company.

Additional information on our approach to corporate governance can be found in the [Governance section](#) of this report.



## Materiality Driven Sustainability Program

At Axalta, we strive to maintain a sustainability program that supports tangible improvement in the areas that are most pertinent to our business, industry, and stakeholders. We continuously engage with our key stakeholders, including customers, employees, investors, suppliers, and communities. Communication with stakeholders is critical to inform our sustainability strategy, and as such, we seek feedback on an ongoing basis through a myriad of engagement platforms to direct our sustainability-related initiatives in a manner that can optimize impact.

In preparation for the upcoming Corporate Sustainability Reporting Directive (CSRD) in the European Union, we have completed a double materiality assessment to identify our material sustainability topics from both an impact materiality and financial materiality perspective, under the applicable CSRD rules and regulations. To do so, we underwent a rigorous analysis and engaged with a variety of stakeholders. Axalta is actively monitoring changes to the CSRD guidance in connection with our CSRD reporting and we expect to publish the results of our double materiality assessment when changes are finalized. In the interim, our sustainability strategy incorporates insights gained from the double materiality assessment but remains anchored in the results of our prior materiality assessment. Further information on our prior assessment and the list of material topics can be found in our [2020-2022 Sustainability Report](#).

### Highlights of our program include the following ratings:

- 1 ISS Governance Quality Score (as of 11/01/2025)
- AA MSCI Rating (as of 11/01/2025)

**Axalta was honored with multiple prestigious sustainable innovation awards in 2023 and 2024, recognizing its leadership in sustainable innovation.**



### 2023 Awards

#### Edison Awards Gold

Abcite® 2060 Flame Spray Powder Coating (Sustainability)  
Self-Priming Kitchen Cabinet Coating (Material Science)

#### Edison Awards Bronze

AquaEC™ Flex (Smart Transportation)

#### BIG Innovation Award

Sustainable Electrocoat (e-coat) technology

#### R&D 100 Award

Next-generation Imron™ coating with sustainability benefits for transportation



### 2024 Awards

#### Edison Awards Silver

Axalta Iru Mix (Environmental & Industrial Solutions)  
Voltatex® 7345 A ECO Wire Enamel (Coatings & Manufacturing)

#### Edison Awards Bronze

Low Carbon Footprint Sustainable Coating System

#### BIG Innovation Award

Voltatex® 7345 A ECO Wire Enamel - eco-friendly insulation for electrification and CO<sub>2</sub> reduction

Raptor® Flameproof Coating - heat-resistant technology that reduces waste.

#### R&D 100 Award

Primerless Consolidated Coating System - streamlining automotive painting and reducing energy use.

# Axalta's Sustainability Priorities

## Sustainability Goals Update

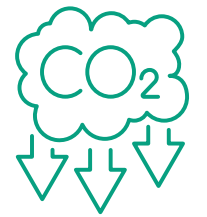
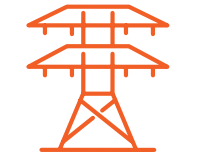






**Our sustainability priorities are rooted in our commitment to creating long-term value for our stakeholders and driving progress across key sustainability topics.**

In January 2022, we set 2030 sustainability goals that aligned with our strategic plan. Since setting these goals, we are proud to have achieved six of them ahead of target, demonstrating our dedication to continuous improvement and responsible operations. Sustainability, however, is a dynamic journey, one that requires ongoing evaluation and adaptation as business priorities, market conditions, and available technologies evolve.

In 2025, we conducted a comprehensive review of our sustainability goals to ensure they accurately reflect our corporate strategy and remain both relevant and achievable. These goals have now been refined to better align with our current strategic direction and operational capabilities. This process included adjusting timelines, retiring completed goals, and sharpening our focus on the areas where we can drive the greatest impact. For example, we revised our goals relating to GHG reduction and decarbonization to account for operational and technological constraints in the current and expected future business environment.

Additionally, in 2024, we achieved both of our targets for a **10% reduction in volatile organic compounds (VOCs)** and **10% reduction in water usage**. We have chosen to retire some goals and targets, with these accomplishments in mind, to direct our efforts on goals aligned with our corporate strategy. By concentrating our efforts on more strategically aligned goals, we are well-positioned to accelerate progress and deliver meaningful outcomes for our stakeholders and the environment.

## Sustainability Goals At A Glance

|                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>30%</b><br/>absolute reduction of Scope 1 and 2 GHG emissions from manufacturing by 2035 against a 2019 baseline.<sup>2,3</sup></p>                                                                     |  <p>Source at least <b>30%</b> of electricity for manufacturing from renewable sources by 2035.</p>                                   |  <p>Achieve <b>carbon neutrality</b> in our operations by 2050.</p>                                                                                                              |
|  <p><b>80%</b><br/>of new technology and innovation developments have sustainability benefits.<sup>4,5</sup></p>                                                                                               |  <p><b>0.19</b><br/>Achieve and maintain a TRIR of <b>0.19</b> or lower <b>annually</b>, while striving towards zero.<sup>6</sup></p> |  <p>Assess at least <b>90%</b> of all suppliers against a robust set of sustainability criteria and expand direct supplier engagement on sustainability matters.<sup>7</sup></p> |
|  <p>Conduct an employee engagement survey <b>annually</b> and achieve participation rates and employee confidence in company follow-up actions greater than the survey provider's benchmark.<sup>8</sup></p> |  <p>Establish, track, and improve upon a <b>favorable Inclusion Index</b>.<sup>9</sup></p>                                          | <p><b>100%</b><br/>Train <b>100%</b> of active global employees on the Axalta Code of Business Conduct and Ethics <b>annually</b>.<sup>10</sup></p>                                                                                                                 |

<sup>2</sup> For this goal, Axalta's Scope 1 and 2 emissions from manufacturing cover direct and indirect emissions from 46 of 47 manufacturing and R&D locations.

<sup>3</sup> Our 2019 target base year emissions calculations were revised due to recent acquisitions and the use of improved emissions factors. Reported GHG emissions reflect the most accurate data and methodologies available at the time of publication. Consistent with the GHG Protocol guidance on base-year recalculations, the Company reviews structural changes, including mergers, acquisitions, and divestitures, to determine whether updates to prior-year or baseline emissions are required. Where acquisitions materially expand the reporting boundary, historical emissions have been restated to ensure year-over-year comparability. Recalculations may occur when improved methodologies, emissions factors, or data sources become available. All adjustments have been applied consistently across reporting years.

<sup>4</sup> For this goal, Axalta defines 'new technology and innovation developments' as new technology developed through our New Product/Platform Process (NPP), an extensive development cycle process used for new products, as opposed to existing product modifications.

<sup>5</sup> Axalta considers a product as having a 'sustainability benefit' if the product achieves benefits in at least one

of the following categories: accelerate EV adoption and electrification, bio-based content, improve product lifecycle, lower emissions/material consumption, recycled content, and reduced hazardous materials. These benefits can be realized by Axalta or our customers.

<sup>6</sup> Total recordable incident rate is based on U.S. OSHA 29 CFR 1904, incidents per 200,000 man hours, and applied globally.

<sup>7</sup> Please see the [Supplier Monitoring section](#) of Axalta's Sustainability Report for detail on the criteria used to assess suppliers.

<sup>8</sup> Benchmarks are provided by Axalta's third-party employee engagement survey platform.

<sup>9</sup> The Inclusion Index is based on questions and responses from our annual employee engagement survey and compared against industry benchmarks provided by our third-party employee engagement platform.

<sup>10</sup> Axalta defines 'active global employees' as full-time employees with at least six months of employment at Axalta during the fiscal year.



AXALTA SUSTAINABILITY REPORT 2023-2024

# Sustainable Products Strategy



# Sustainable Products Strategy

**At Axalta, innovation and sustainability go hand in hand. We are committed to anticipating the evolving needs of our customers. Increasingly, this translates to delivering solutions that help our partners achieve both sustainability and performance objectives.**

As a business-to-business leader, Axalta enables customers to meet their goals—whether by enhancing product durability and longevity, reducing energy consumption, minimizing waste, or lowering emissions. Importantly, these sustainability benefits may often translate into improved performance outcomes and cost savings.

**Key sustainability benefits our products may offer customers include:**

- Lowering emissions and material consumption
- Reducing or eliminating the use of hazardous materials
- Accelerating electric vehicle (EV) adoption and electrification
- Improving product lifecycle and durability
- Utilizing recycled content
- Incorporating bio-based materials

Technology development is at the heart of how we address our customers’ needs. As of December 31, 2024, Axalta employed approximately 1,300 team members dedicated to advancing our technology pipeline. We operate four major technology centers globally, which develop and align our technology investments with global and regional business needs. These centers are supported by 25 regional laboratories that provide local expertise and direct connections to customers worldwide. This network ensures that our innovation efforts remain both globally scalable and locally relevant.

At Axalta, product innovation is at the heart of our identity and purpose, driving solutions that help our customers achieve their own sustainability and performance objectives. We are committed to developing technologies that reduce energy consumption and minimize waste across customer operations. Our solutions also can support the transition to low-carbon technologies, such as electric vehicles, by enabling lighter and smaller motors, as well as improving thermal insulation and heat management to optimize and extend battery life. These innovations empower our customers to increase operational efficiency, meet regulatory requirements, and advance their environmental goals, while also creating lasting value for Axalta through differentiation and strategic alignment with market needs.

Looking ahead, Axalta remains committed to our target of at least **80% of our new technology and innovation developments delivering sustainability benefits**, which also aligns with many of our customers’ goals. This target reflects our belief that sustainability is not a separate initiative, but rather it’s a driver of performance, efficiency, and long-term value creation across the industries we serve. By embedding sustainability into our innovation pipeline, we help customers accelerate their own environmental progress while enhancing product performance and operational outcomes. This approach underscores the vital role sustainability plays in our growth strategy and reinforces Axalta’s role as a trusted partner in building a more efficient, resilient, and sustainable future.

**Sustainability is not only a defining market trend but also a central pillar of our research and development strategy.**

**Our commitment to sustainability drives innovation across multiple dimensions, such as:**

- Partnerships with suppliers to qualify more sustainable raw materials (bio-sourced, recycled, lower carbon footprint);
- Product formulations containing lower VOCs that reduce carbon emissions and air toxins;
- Coatings systems and equipment designed to improve application efficiency, thereby optimizing material use, lowering energy consumption, and minimizing waste; and
- Low-to-zero emission products.

## Axalta's Customer-Driven Strategy Refinish

**Axalta's Global Refinish business supports autobody shops and dealerships in restoring vehicle finishes with enhanced appearance, performance, and durability.**

These customers operate in dynamic, high-throughput environments where speed and precision are critical. Unlike OEMs with standardized production lines, Refinish customers face variable, time-sensitive conditions that demand coatings engineered for rapid application and curing, without compromising quality. Axalta's Refinish solutions are designed with efficiency and sustainability in mind.

**Our targeted innovations can help drive tangible improvements in operational performance and cost savings, helping our customers achieve their sustainability goals. Specifically, our Refinish coatings and technologies are designed to deliver:**

### Reduced Energy Consumption

Our coatings are engineered for faster application and curing to help minimize energy use during drying and baking, lowering both operational costs and carbon emissions.

### Less Material Waste

Our technologies allow for precision color matching and low-waste mixing solutions to help ensure accurate color on the first attempt, reducing the need for rework and unnecessary repainting.

### Lower Emissions

Our portfolio offers waterborne and high-solid solvent-borne coatings that help our customers meet emission reduction targets by lowering VOC output.

### Increased Productivity

We streamlined application processes to increase productivity, so our customers can shorten turnaround times and handle more jobs, supporting both business growth and sustainability objectives.



## Axalta's Customer-Driven Strategy **Industrial**

Through our global Industrial Coatings business, Axalta delivers durable and high-performance solutions that help meet the demands of customers across a wide range of sectors, including construction and infrastructure, as well as energy and electrical components.

Our focus remains on developing innovative solutions that extend asset life and minimize environmental impact. These applications often face extreme environmental conditions where coatings are not just protective layers, but also critical enablers of sustainability.

As we continue to advance our sustainability strategy, the Industrial Coatings business plays a critical role in enabling durable, resource-efficient solutions across a wide range of sectors. Through ongoing R&D and collaboration with customers, we aim to deliver coatings that not only meet performance expectations but also contribute to broader decarbonization and circularity goals by:

### **Conserving resources and lowers lifecycle emissions**

Our coatings are engineered to enhance corrosion resistance, thermal insulation, and weather durability, which reduces the need for frequent maintenance, repainting, or replacement. This minimizes the environmental impact associated with manufacturing, transporting, and disposing of replacement parts.

### **Reducing greenhouse gas emissions and improves air quality**

We offer advanced powder, liquid, and electrocoat technologies that use less energy during application and curing. Powder coatings contain little or no solvents, resulting in negligible or zero VOC emissions.

### **Supporting decarbonization and the energy transition**

Our electrical insulation materials improve the efficiency and reliability of transformers, motors, and battery systems, helping reduce energy losses and enabling broader adoption of renewable energy and electrification.

### **Maximizing sustainability gains for individual customers**

By tailoring our solutions to the unique demands of every operation, we enable optimal material use, process efficiency, and waste minimization, resulting in reduced emissions, lower resource consumption, and improved product longevity.

## Axalta's Customer-Driven Strategy **Mobility**

**Our Mobility Coatings business is built on close partnerships with light and commercial vehicle OEMs. We are committed to delivering advanced solutions that meet the highest standards for performance, appearance, and sustainability.**

Our customers operate in automated, large-scale vehicle manufacturing where efficiency, quality, and environmental performance are paramount. We prioritize innovation that helps our customers achieve their operational and environmental goals.

**Our efforts reflect our broader commitment to sustainable innovation and the importance of aligning product development with long-term environmental and stakeholder goals. In particular, our Mobility Coatings business focuses on:**

### **Extending vehicle life and reducing waste**

Our coatings protect vehicles from harsh conditions, including weathering, abrasion, UV light, and corrosive elements, helping to minimize the need for frequent repairs or replacements and reducing the environmental impact associated with manufacturing and disposing of vehicle parts.

### **Lowering energy consumption and emissions**

We develop technologies that streamline the paint-shop process, reducing the number of application and baking steps. This enables customers to use less energy, minimize waste, and cut VOC emissions during vehicle manufacturing.

### **Supporting decarbonization and the shift to electric vehicles**

Our next-generation, electrophoretic coating (e-coat) technologies are specifically made for electric vehicles, providing superior corrosion protection and flexibility, designed to withstand unique thermal and moisture stresses. This helps enable the broader adoption of low-carbon mobility solutions.

### **Accelerating the transition to sustainable mobility**

By continuously anticipating and responding to industry trends, such as electrification and stricter regulatory requirements, we deliver solutions that help our customers meet evolving sustainability standards and advance low-carbon strategies.

## Creating Sustainability Outcomes

**Axalta is committed to delivering sustainable coatings solutions that help customers reduce emissions, energy use, and waste.**

As a leading global supplier of liquid and powder coatings, we support our customers' sustainability goals through innovative products and technologies that enhance productivity while minimizing environmental impact. Our solutions-oriented approach reflects our role as a trusted partner in accelerating sustainable progress across the value chain.

### Deploying Technology for Customers' Sustainability Benefits

Axalta's technology portfolio is designed to address pressing environmental challenges faced by our customers. We focus on reducing operational footprints, improving efficiency, and reducing GHG emissions. Below are some key examples of how we leverage technological advancements to promote sustainability across customers' operations.

#### Fast Cure Low Energy Technology

Axalta's patented Fast Cure Low Energy technology (FCLE) transforms the refinishing process by reducing energy use and cutting process times significantly. Extensively tested over the years and developed with our patented technology, FCLE delivers a range of sustainability and performance benefits.



#### Operational Efficiency

**FCLE reduces process times by up to 50%**, enabling quicker turnaround and lower repair costs for body shops. This means more vehicles can be serviced with less downtime, directly supporting customer profitability and resource efficiency.

#### Energy & Cost Savings

The technology can **cut spray booth energy costs by up to 70%** and **reduce electricity consumption during refinishing by up to 50%**. These savings are particularly significant for high-throughput operations, enabling customers to manage rising energy costs and meet their internal energy reduction targets.

#### Environmental Impact

By lowering energy demand, **FCLE can help reduce a body shop's carbon footprint by up to 55%**. This directly supports customer climate goals and aligns with global efforts to decarbonize industrial operations.

#### Market Reach

FCLE is available across Axalta's global Refinish brands: Cromax®, Spies Hecker®, and Standox® ensuring broad access to these sustainability benefits.

## Deploying Technology for Customers' Sustainability Benefits

Axalta's technology portfolio is designed to address pressing environmental challenges faced by our customers. We focus on reducing operational footprints, improving efficiency, and reducing GHG emissions. Below are some key examples of how we leverage technological advancements to promote sustainability across customers' operations.

### Axalta Irus™

#### The Ultimate in Color Measurement Technology

Axalta Irus is the industry-leading, fully automated digital solution for paint color matching and delivery in the automotive refinish industry. Irus streamlines color management into a precise three-step Scan, Match, Mix process with the Axalta Irus Scan™, Axalta Nimbus Color™, and Axalta Irus Mix™.



#### The Irus Scan

An advanced handheld color tool that scans and scientifically measures vehicle color for accurate color reading to the best match.



#### Axalta Nimbus Color

Produces a precise color formula from the Irus Scan data to ensure color match.



#### Axalta Irus Mix

The fastest fully-automated mixing machine on the market mixes the precise color formula, hands-free, to maximize throughput and utilizes ergonomic bottles made from 50% recycled plastic.

Axalta Irus helps reduce environmental impacts and costs by limiting rework and material waste while improving the reliability and efficiency of shop performance. Irus Mix works with Axalta's bottle system, **made from 50% recycled plastic**, which eliminates the need to refill or decant products into special bottles. Additionally, our bottle system uses precise dosing lids to deliver accurate color while reducing waste.

The Irus Scan was awarded Silver at the [2025 Edison Awards](#) for its industry-leading innovation.

## Strategic Sustainability Partnerships

Axalta's strategic partnerships amplify our impact by further integrating sustainability into the broader automotive and industrial value chains. We cultivate partnerships that align with our commitments to sustainability and support our customers' sustainability goals, as illustrated by our partnerships with Solera and CESVIMAP.



### Solera Partnership

In Europe, Axalta has partnered with Solera, a global leader in vehicle lifecycle management, to integrate Axalta's conventional and Fast Cure Low Energy paint systems into Solera's Sustainable Estimatics platform. This enables Axalta customers to estimate their CO<sub>2</sub> emissions per repair. As the first coatings manufacturer to partner with Solera, Axalta's Refinish customers can access a live dashboard that provides CO<sub>2</sub> estimates, helping them make energy-conscious, data-driven decisions. This tool also enables customers to review dashboards and analyze their overall collision repair footprint, benchmarking against regional, country-specific, and industry-wide data.

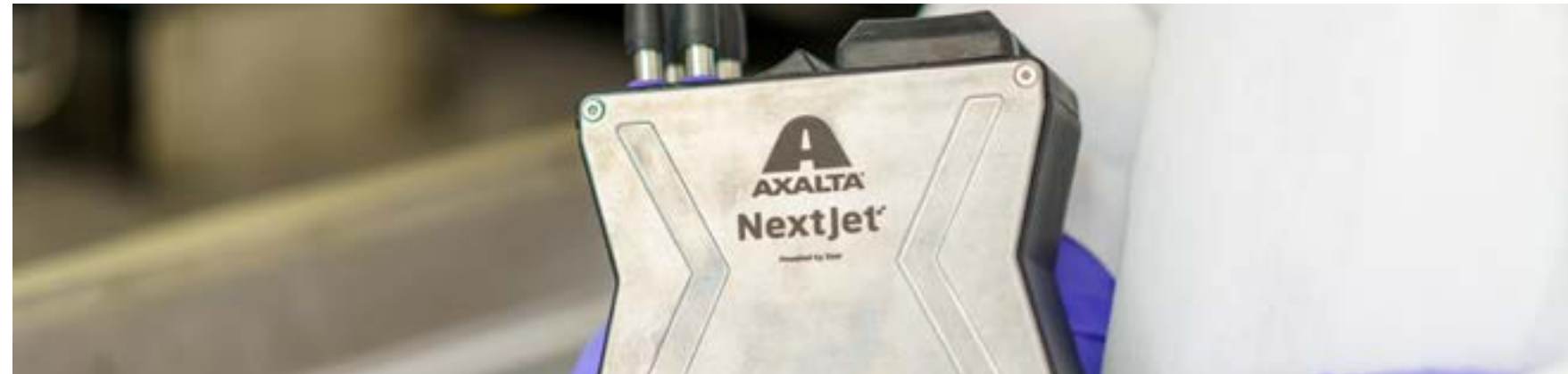


### CESVIMAP Partnership

Axalta has also partnered with CESVIMAP across our Europe, Middle East, and Africa (EMEA) operations, which will enable Axalta's Refinish customers to have access to CESVIMAP's Move2Green sustainability program. This program offers an online self-assessment for customers to evaluate their environmental impact. Following the assessment, customers receive a detailed roadmap with actionable steps to improve their sustainability initiatives, as well as the Move2Green certification to promote their commitment to reducing their environmental footprint. The partnership aims to provide tools and resources to help body shops adopt greener practices while enhancing business performance.

## Reducing Product Emissions & Environmental Impact

Through innovation and strategic partnership, Axalta has developed products and offerings designed to mitigate GHG and air emissions, supporting customers in reducing their environmental footprint.



### Axalta NextJet™

**NextJet** digital paint technology transforms the paint application process. NextJet is the next generation of paint application that allows precise placement of paint and reduces waste. This enables design flexibility for customers to two-tone and create patterns, details, and images in a sustainable way, with no masking required.

The NextJet technology reduces waste and limits rework, improving productivity, labor efficiency, and cost savings. Compared to a conventional two-pass Tutone paint scheme, **NextJet can reduce Scope 1 CO<sub>2</sub> emissions by up to 30% and the incremental cost of the second color by ~70%, compared to conventional methods**, and eliminates the need for masking and masking labor.

Developed in collaboration with Dürr and Xaar, this technology exemplifies Axalta's commitment to cross-industry innovation. Combining Xaar's injection capabilities and Dürr's application systems with Axalta's coatings solutions enables a synchronized digital paint solution for OEM production lines.

In 2025, Axalta NextJet was named the 2025 Automotive News PACE Pilot Innovation to Watch.



### Axalta's AquaEC™ Technology Supporting Electric Vehicles

Axalta's **AquaEC** e-coat solution is a water-based coating designed for battery components in electric vehicles, supporting the transition to low-carbon mobility. This e-coat is built with new generation chemistry and offers several sustainability advantages compared to previous generation technology, **including 60% lower VOC emissions and 15% less energy use, and, with no hazardous materials, it allows for water recycling**. AquaEC's performance supports the growing electric vehicle industry by providing reliable mechanical strength and corrosion protection. It also enables critical electric vehicle parts that carry and protect battery packs to be heat-cured with the rest of the body frame, enabling automakers to co-produce electric vehicles and internal combustion vehicles on the same manufacturing line.



### Axalta Alesta™ Powder Coatings

Axalta's Alesta Powder Coatings offer an environmentally responsible and efficient coating application with a selection of thermosetting and thermoplastic powder coatings. Alesta powder coatings provide customers with high-quality finishings to improve the protection of surfaces and can **reduce CO<sub>2</sub> emissions by up to 25%**, as compared to incumbent products.

Notably, **Alesta BioCore™** is the world's first International Sustainability & Carbon Certification (ISCC) Plus certified powder coating. **Alesta BioCore** uses bio-based solutions derived from non-food organic waste, resulting in significantly lower embodied carbon levels. These solutions provide a path to reduce scope 3 GHG emissions. The certification provides a robust and certified chain of custody from the raw material source to the final product, offering a testament to our focus on sustainability.



AXALTA SUSTAINABILITY REPORT 2023-2024

# Environmental



# Our Approach to Sustainable Operations

**In addition to empowering our customers to meet their sustainability goals, we are committed to managing our own operational footprint as responsible stewards of the environment.**

This commitment is reflected through strong oversight of our environmental strategy and a focus on managing the areas that are most material to our business.

## Environmental Oversight

Axalta's Board provides oversight of Axalta's environmental strategy as part of its broader oversight of risk management and strategy. The Board's EHS&S Committee assists in fulfilling the Board's oversight of the Company's environmental, health, safety, and sustainability matters. Our Operations and Environmental, Health, Safety, and Quality (EHSQ) leaders report quarterly on our EHSQ performance to the Board's EHS&S Committee.

For more information on our board- and management-level oversight, please refer to the [Sustainability Oversight section](#) of our report.

## EHS Guiding Principles and Compliance

Our global Environment, Health, and Safety (EHS) Guiding Principles provide the foundation through which we uphold our commitment to environmental stewardship. These principles define our operational performance commitments and priorities, which are communicated across all areas of the Company. As part of our EHS Guiding Principles and through our membership in the American Chemistry Council (ACC), Axalta seeks to maintain compliance with regulatory and industry standards with a comprehensive, multi-layered internal EHS audit process. We adhere to the ACC's Responsible Care® Management System, an industry-leading initiative focused on environmental, health, safety, and security performance.

Axalta was among the first companies to achieve global, multi-site RC14001:2015 certification, which continues to be verified and renewed through third-party audits. Our global certification to RC14001 demonstrates that all Responsible Care® Management System elements are successfully implemented globally, covering EHS, process safety, product safety, security, and sustainability. All of our manufacturing sites participate in our internal EHS audit program, which includes site self-assessments and internal second-party EHS audits. These audits are designed to ensure continuous improvement, regulatory compliance, and effective risk management. Audit results are reported to the site and business unit leadership.

In 2024, Axalta launched a new EHS software solution designed to expand the accessibility and effectiveness of our EHS reporting and compliance management. This platform provides employees with streamlined access to compliance calendars and reporting tools, embedding EHS performance more deeply into our daily operations.

The implementation of this software reflects our commitment to advancing EHS oversight and accountability across the organization. It also enhances our ability to collect and analyze data, enabling proactive decision-making and continuous improvement in our environmental, health, and safety practices.



# Climate Strategy

**At Axalta, our climate strategy is centered on supporting our customers through innovative, sustainable coating solutions.**

By helping to extend product lifespans and to improve application efficiency, our coatings can reduce environmental impact across industries. Whether protecting vehicles and infrastructure or enabling efficient repairs and durable finishes, our products are designed to help customers meet their sustainability goals while contributing to a more climate-resilient future.

## Our Approach

Axalta is committed to integrating climate strategy into our business planning to address key climate-related challenges and their potential impact on our Company and customers. To support this, in 2025 we conducted qualitative and quantitative assessments aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework recommendations. As part of this process, we worked with a third-party advisor. We also engaged cross-functional teams and leadership to identify and analyze potential climate-related risks Axalta may face under different climate scenarios. We considered both transition and physical climate impacts on our operations and financial performance. We expect that the insights gained will shape our approach to climate-related governance, strategy, and risk management. This section provides disclosures aligned with the four pillars of the TCFD recommendations: governance, strategy, risk management, and metrics and targets.

## Climate Oversight

Board-level oversight for climate-related risks and opportunities sits primarily within our Environment, Health, Safety, and Sustainability (EHS&S) Committee. As part of this process, the Board has reviewed and aligned with Axalta's identified climate-related risks and opportunities, which are discussed within this section. The Board also has oversight over enterprise-wide goals and targets, policies, and other measures put into place to address environmental issues raised by management, including those related to climate change. Sustainability is addressed with the Board at least annually and more frequently as needed.

Management-level oversight of climate is the responsibility of our Environment, Health, Safety and Sustainability Steering Committee and our Executive Committee, who work to integrate Axalta's climate risk management strategy throughout all levels of our business. We employ a cross-functional approach to climate-related governance and risk management, involving subject matter experts and leaders across the Company to identify and manage climate-related risks and opportunities.

Ultimately, at Axalta, climate oversight is part of our broader sustainability oversight process. For more information on climate oversight at Axalta, reference the [Sustainability Oversight section](#) of this report.

## Risk Management

In addition to Board and management-level oversight of Axalta's climate strategy, our Enterprise Risk Management (ERM) program plays a crucial role in supporting the management and governance of our climate-related risks. The program supports climate-related risk identification and includes several oversight levels that provide risk management across our business.

Axalta's ERM program focuses on a wide range of potential strategic, operational, financial, regulatory, and sustainability risks to the Company, including those related to climate. The ERM processes and activities are reviewed at least annually by both the Audit Committee and our full Board. Our finance function reports to our CEO through the Chief Financial Officer (CFO) and has day-to-day management



responsibility for our ERM processes. The ERM team regularly refreshes potential risks facing our Company, capturing evolving and emerging risks through an annual survey of more than 90 leaders across the Company. The Board was included in the 2024 annual survey. Upon completion of the survey, key risks are mapped to projects and ongoing activities aimed at mitigating these risks. These projects and activities are managed by business and/or functional leaders, are designed to ensure they function effectively and are consistent with our strategy and best practices.

# Climate Strategy

We also leverage our Crisis Management Protocol to prepare for various risks we may face, including those related to the physical impacts of climate change on our operations. We maintain site, business unit, and corporate crisis management teams with corresponding protocols and procedures. We conduct crisis and emergency preparedness exercises, from time to time, for reinforced preparedness.

## Climate-related Risks and Opportunities

In alignment with guidance provided by TCFD, we conducted a qualitative and quantitative assessment of our operations to identify and address potential climate-related risks and opportunities. This assessment was completed in coordination with various internal stakeholders, including our executive team, management teams, and relevant subject matter experts, to support a thorough understanding of the potential climate-related matters that may impact our business.

Our identified climate-related risks and opportunities fall into two primary categories defined by the TCFD: transition and physical. Transition relates to the impacts of a transition to a lower-carbon economy, while physical encompasses the physical effects of climate change. We have identified relevant climate-related risks and opportunities that may impact our business in the short-, medium-, and long-term. These risks and opportunities are summarized in the list to the right.

## Climate-related Risks

### Policy & Legal

Current and emerging climate-related and chemicals-related policies and disclosure requirements

### Market

Changing customer behavior towards sustainable products and the costs associated with sustainable products

### Market

Raw material supply disruption and labor risk

### Reputation

Increased climate-related stakeholder expectations and scrutiny

### Technology

Unsuccessful shifting of processes and technology

### Acute Physical

Disruptions to operations and supply chain from increased severe weather events

### Chronic Physical

Disruptions to operations and supply chain from chronic shifts in physical conditions

## Climate-related Opportunities

### Products & Services

Offering product strategies that meet consumer demand, improving downstream environmental performance

### Markets

Meeting changing market demands from increased severe weather events and the need for climate adaptation solutions

### Resource Efficiency

Implementing operational efficiencies across our businesses

### Resilience

Improving operational resilience through diversifying energy sourcing and supply chain

### Energy Source

Increasing renewable energy sourcing for our direct operations to lower our environmental footprint

We have disclosed a complete definition and our associated risk mitigation and opportunity capitalization efforts for the identified risks and opportunities. Please see these details on the following pages.

# Climate Risks

|            | Risk Category    | Risk Summary                                                                                    | Risk Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------|------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transition | Policy & Legal   | Current and emerging climate-related and chemicals-related policies and disclosure requirements | Axalta faces an increasingly complex and evolving global regulatory landscape driven by climate-related policy changes and hazardous chemicals regulations. This includes emerging and existing legislation, such as carbon pricing mechanisms, emissions trading schemes, carbon taxes, disclosure mandates (e.g., California Climate Laws, EU CSRD and Corporate Sustainability Due Diligence Directive), and restrictions on hazardous substances. These developments can result in higher compliance and operational costs, such as those associated with changing electricity prices, necessitate changes to product formulations, and introduce reputational, litigation, and enforcement risks in the event of non-compliance. Additionally, the fragmentation and volatility of regulatory frameworks across jurisdictions add to the complexity and cost of compliance, while exposing Axalta to stricter oversight and potential tariffs or penalties. |
|            | Market           | Changing customer behavior towards sustainable products and the costs associated with them      | Customer preferences, expectations, and regulations drive shifting market demand for sustainable products. If Axalta does not meet the market demand for more sustainable products, the Company could face revenue loss to its competitors. Developing and manufacturing certain sustainable products could also negatively affect the Company by increasing costs/prices and reducing sales.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|            | Market           | Raw material supply disruption and labor risk                                                   | Upstream price increases, such as those associated with CO <sub>2</sub> and electricity, supply disruptions, or reduced availability of key raw materials, could affect operating costs and ability to operate. Axalta's operations depend on raw materials, many derived from crude oil and natural gas, whose costs can fluctuate due to global market dynamics and climate-related regulatory and market risks. Climate change may also drive up labor costs and increase the risk of labor shortages, particularly in regions affected by extreme weather or heat stress, further straining Axalta's operations and supply chain.                                                                                                                                                                                                                                                                                                                            |
|            | Reputation       | Increased climate-related stakeholder expectations and scrutiny                                 | Axalta could face increased scrutiny (especially in the EU regulatory space) and evolving stakeholder expectations regarding climate-related impacts and potential "greenwashing." Failure to adapt to these stakeholder expectations could expose the Company to litigation and reputational damage, ultimately reducing demand and revenue. Negative investor perceptions could also lead to increased credit risk and decreased access to capital.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|            | Technology       | Unsuccessful shifting of processes and technology                                               | Incorporating climate considerations into operational and strategic planning may increase Axalta's costs. For instance, if the development and deployment of new, sustainable coating technologies are delayed or unsuccessful, the Company could face operational uncertainties and disruptions to existing product lines. Failure to innovate and adapt effectively to evolving regulatory standards and customers' sustainability expectations could undermine Axalta's long-term business resilience and financial performance. This may result in higher operational expenses, such as those related to potential CO <sub>2</sub> price increases, potential economic losses, and suboptimal capital allocation decisions.                                                                                                                                                                                                                                  |
| Physical   | Acute physical   | Disruptions to operations and the supply chain from increasingly severe weather events          | Increasingly frequent and severe weather events (e.g., extreme heat, freezing, severe storms, extreme precipitation, flood, and wildfires) may lead to production disruptions, transportation route disruptions, supply chain disruptions, physical damage to Axalta's assets, health incidents, loss in operational capacity, loss of sales due to inability to provide products to customers, increased insurance costs, and increases in repair/replacement costs.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|            | Chronic physical | Disruptions to operations and the supply chain from chronic shifts in physical conditions       | Chronic shifts in physical conditions due to climate change (e.g., rising temperatures and sea-level rise) can disrupt our production and operations, transportation routes, supply chains, and ability to provide products to customers, and lead to increased costs associated with addressing these risks.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## Risk Mitigation Strategies

- Our EHS Guiding Principles, emissions reduction goals, and commitment to the Responsible Care® certification help Axalta continue to reduce our environmental footprint. For more information, see the [Environmental section](#) of this report.
- Climate-related risks are incorporated into and considered part of Axalta's Enterprise Risk Management process, and our climate scenario analysis uses projections from the WEO, Intergovernmental Panel on Climate Change (IPCC), and NGFS to help us prepare for a variety of regulatory and market-related situations.
- Global and regional regulations are monitored cross-functionally within the organization. We also collaborate with regional experts and outside resources to stay informed on emerging legislation.
- R&D, innovation, and developing new products are integral to how we do business, and sustainability considerations are incorporated into our procurement and ERM processes. Axalta mitigates market risk by staying abreast of customer preferences and developing products to align with customer demands. For more information, please see the [Sustainable Products Strategy section](#) of this report.
- As part of our risk management process, our procurement, operations, and technology teams coordinate closely to manage inventories, production process needs, and potential alternative product formulations that could offset increased prices of individual materials.
- Our climate scenario analysis informs us of potential climate-related implications to our business and allows us to provide stakeholders with information on how Axalta is preparing for various climate outcomes.
- Our environmental management strategy includes processes and training to prepare our employees for potential physical impacts of climate change on our operations, such as extreme weather events.
- As part of our Crisis Management Protocol, we maintain site, business unit, and corporate crisis management teams and procedures. We also conduct company-wide crisis and emergency preparedness exercises to reinforce preparedness across all levels of our business.
- We continue to maintain reasonably appropriate insurance to mitigate against potential financial losses due to the impact of climate-related physical risks to our business.

# Climate Opportunities

|                       | Opportunity Category | Opportunity Summary                                                                                             | Opportunity Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------|----------------------|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Transition            | Products & Services  | Offering sustainable products to address customer demands and improve reputation/brand recognition              | Axalta offers innovative and sustainable products, processes, and services that appeal to sustainability-minded customers. These products can have sustainability benefits for both Axalta and its customers, including reduced waste, energy, GHG emissions, VOC emissions, use of bio-based and recycled materials, and products supporting sustainable end-markets like electrification of transportation and renewable energy infrastructure. The products can also improve the efficiency or the quality/effectiveness of customers' processes, help customers achieve their own environmental goals, enable customers to reduce energy consumption, and help drive electric vehicle (EV) adoption by providing more efficient and lower-cost solutions specific to EVs. Expanding Axalta's sustainable product offerings may improve its reputation, brand recognition, investor sentiment, and customer base and increase sales.                                                                                                                                                         |
|                       | Resource Efficiency  | Operational efficiencies                                                                                        | By optimizing operational and production processes, investing in energy efficiency, reducing waste and water use, and transitioning to more efficient buildings, Axalta can improve resource efficiency and lower operating costs. As climate change may drive up the cost of energy, water, and raw materials, these efforts can mitigate risk and may provide a competitive advantage and increase profitability.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|                       | Resilience           | Renewable energy investment and supply chain diversification                                                    | Axalta can increase operational resilience by investing in renewable energy programs to reduce exposure to rising energy and electricity costs and more stringent regulations on GHG emissions. Additionally, Axalta can leverage its global supply chain to pursue resource diversification, adapt to evolving regulations, reduce energy costs, and avoid upstream climate-related disruptions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                       | Energy Source        | Increase renewable energy sourcing                                                                              | By sourcing more renewable energy and other process innovations, Axalta can reduce operational costs, reduce its exposure to fossil fuel market volatility, and benefit from reputational recognition associated with using renewable energy.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Transition & Physical | Markets              | Increased demand for products in response to increased severe weather and need for climate adaptation solutions | <p>Axalta can gain revenue and new market share by aligning sustainable solutions with growing demand for products meeting the needs of climate adaptation and sustainable end-markets like the electrification of transportation and renewable energy infrastructure. The energy transition and evolving transportation sector present an opportunity for Axalta, as the growing demand for electric and sustainable vehicles increases the need for advanced coatings and innovative solutions. By continuing to deliver sustainability-focused solutions such as energy-saving technology and products for EVs, Axalta has the opportunity to meet these emerging, climate change-driven market demands.</p> <p>Additionally, increased severity and frequency of extreme weather events—such as hailstorms, heat waves, and hurricanes—cause accelerated wear and tear on vehicles, transportation infrastructure, and other industrial applications. This can increase demand for coatings and repairs within the refinish business due to more frequent damage and maintenance needs.</p> |

## Opportunity Capitalization Strategies

- R&D, innovation, and developing new products are integral to how we do business. Axalta focuses on developing innovative and sustainable products that appeal to sustainability-conscious customers in the market.
- Our products and solutions help customers reduce their environmental footprint and achieve their sustainability goals. Please see the [Sustainable Products Strategy section](#) of this report for more information.
- Axalta provides coatings that enhance the resilience and longevity of customer assets in increasingly harsh environmental conditions. With a robust suite of existing products designed for durability, corrosion resistance, and weather protection, Axalta supports customers in adapting to the impacts of climate change.
- Rooted in our EHS Guiding Principles, Axalta continues to find ways to implement operational efficiencies within our operations to build resilience against upstream material price volatility and changing market conditions. This includes investing in renewable energy across our facilities to meet our renewable electricity goal. For more information, please see the [Environmental section](#) of this report.

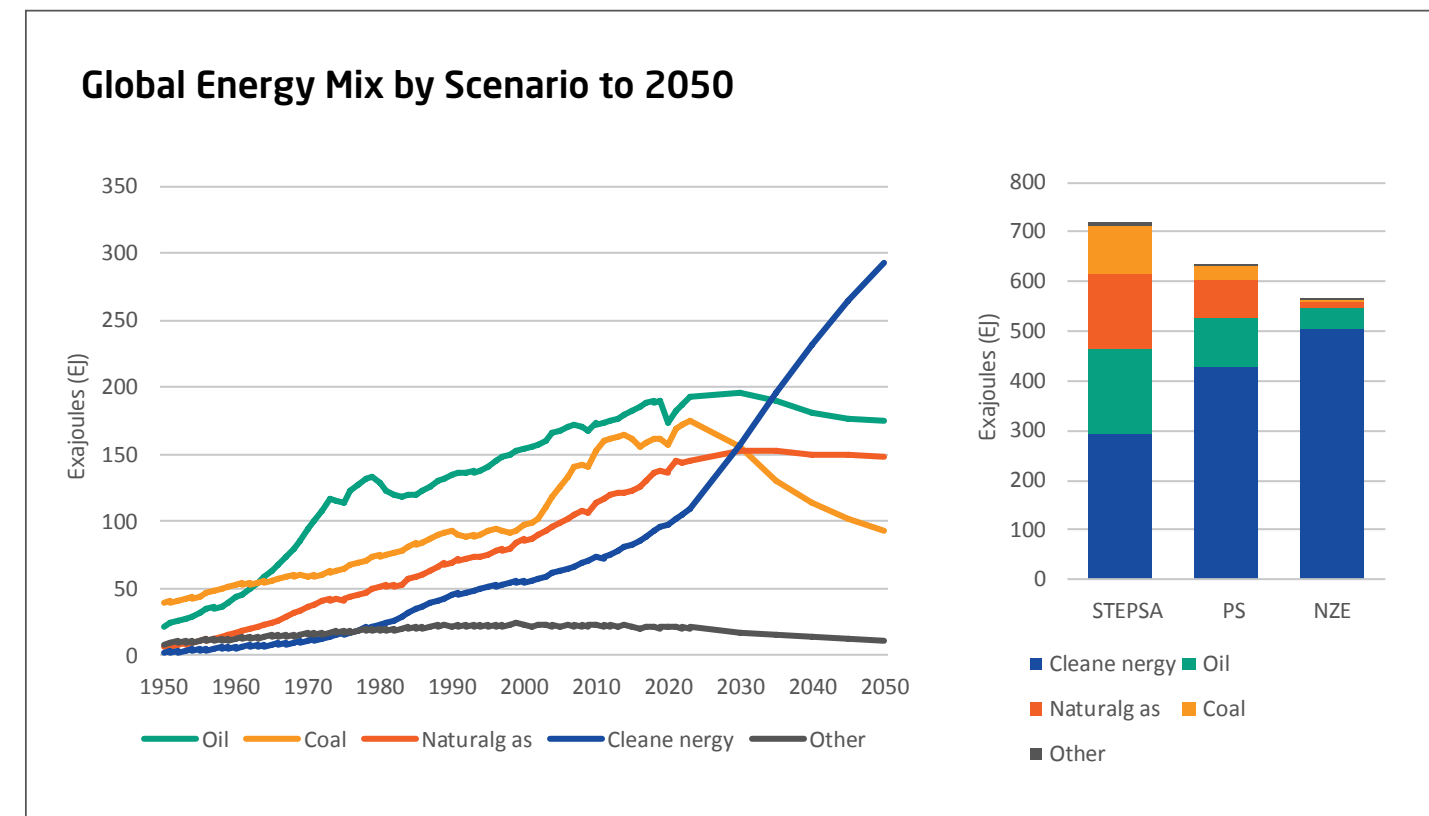
# Strategy & Scenario Analysis

In alignment with the recommendations of the TCFD framework, Axalta conducted a scenario analysis in which we examined several climate scenarios, including 2°C and 1.5°C warming scenarios, to assess how projected climate outcomes could impact our business.

The results of this analysis inform our strategic planning and risk management processes, enabling us to make informed decisions about risk mitigation strategies from both a financial and a climate-related perspective. Axalta considered three different sources projecting long-term climate outcomes to inform our analysis: the International Energy Agency’s (IEA) 2024 World Energy Outlook, Network for Greening the Financial System,<sup>11</sup> and IPCC Long-Term Scenarios.<sup>12</sup> We selected these studies because we believe they reflect a credible and diverse range of potential future conditions, developed by well-regarded and widely recognized sources.

## IEA 2024 World Energy Outlook (WEO 2024) Scenarios<sup>12</sup>

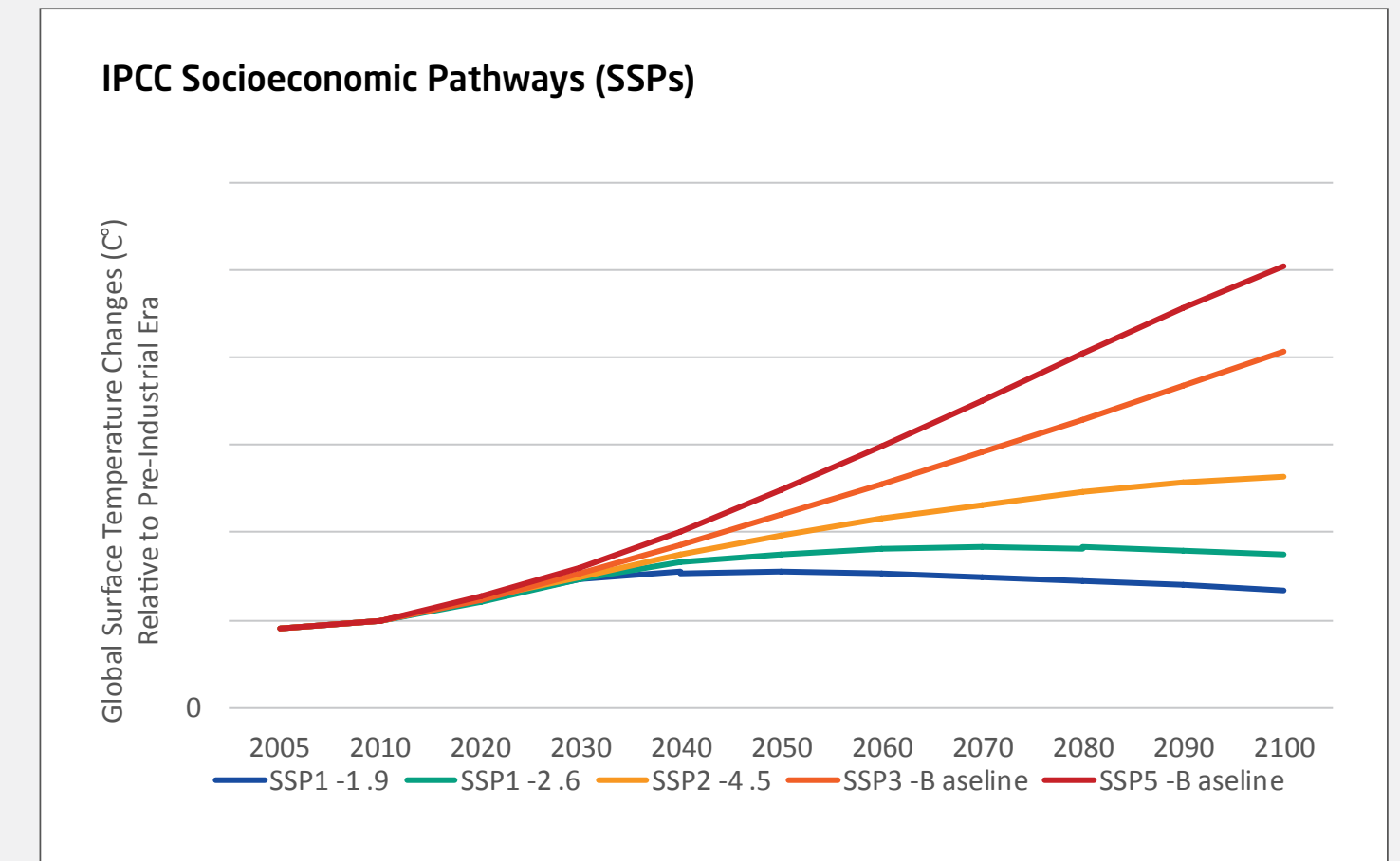
The International Energy Agency’s WEO projects detailed energy sector outcomes under different climate scenarios. WEO provides detailed projections of technology deployment, energy commodity prices, and production across different climate futures. The Stated Policies Scenario (STEPS) evaluated outcomes under a slow transition towards a low-carbon economy. The Net Zero Emissions by 2050 (NZE) Scenario evaluated a quick transition towards a low-carbon economy.



Source: International Energy Agency, World Energy Outlook 2024, October 2024

## IPCC Long-Term Scenarios<sup>13</sup>

The IPCC scenarios provide comprehensive and varied data on the physical impacts of climate change. They are based on five shared socioeconomic pathways (SSPs), which are possible future states that IPCC climate researchers should consider in their models. Other sources (e.g., NASA, NOAA, WRI) rely on IPCC projections to project physical changes at a higher level of detail or assess specific potential market impacts. Axalta used the results of the SSP3-7.0 and SSP5-8.5 scenarios to evaluate risks and opportunities under a slow transition to a low-carbon economy. In contrast, outputs from SSP1-2.6 were used to assess the impacts of a quick transition.



Source: IPCC (2021), Cross-Chapter Box 1.4, Figure 1 in IPCC, 2021: Chapter 1

<sup>11</sup> Network for Greening the Financial System Scenarios Portal

<sup>12</sup> International Energy Agency, World Energy Outlook 2024, October 2024

<sup>13</sup> IPCC 6th Assessment Report (2021)

### Network for Greening the Financial System Scenarios (NGFS)

The seven NGFS scenarios provide more detailed views of non-energy commodities and macroeconomic indicators such as inflation and the federal funds rate. The Net Zero 2050 outputs assessed risks and opportunities during a quick transition to a low-carbon economy. The results of the Current Policies and Delayed Transition scenarios informed the analysis of a slow transition to a low-carbon economy.

**Orderly**

Climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued.

**Disorderly**

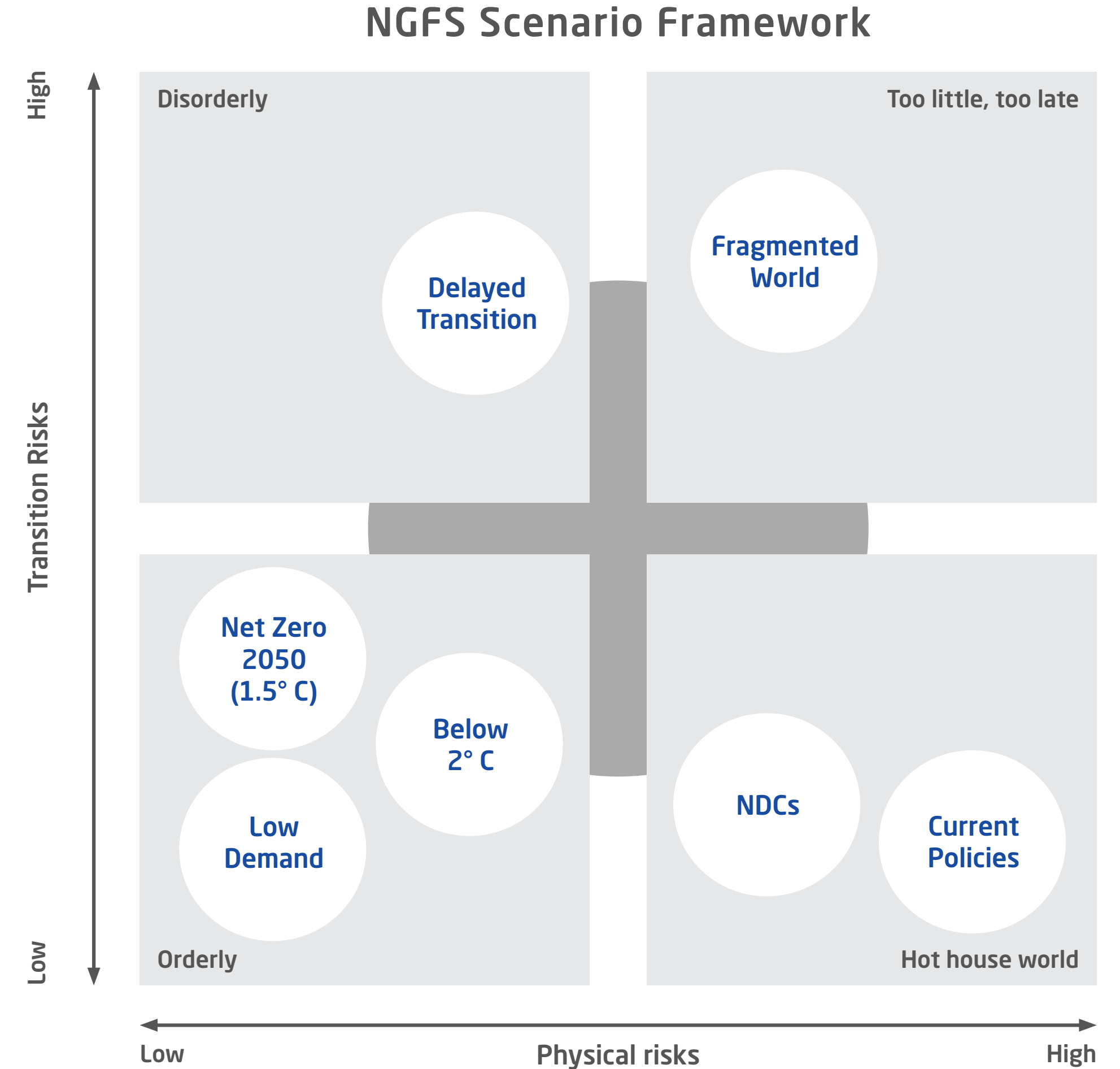
Explore higher transition risks due to policies being delayed or divergent across countries and sectors. For example, carbon prices are typically higher for a given temperature outcome.

**Hot house world**

Some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. The scenarios result in severe physical risk, including irreversible impacts.

**Too little, too late**

A late and uncoordinated transition fails to limit physical risks.



Positioning of scenarios is approximate, based on an assessment of physical and transition risks out to 2100.

Source: NGFS (2024), NGFS long-term scenarios for central banks and supervisors

# Scenario Analysis Approach

**Axalta’s identified climate-related risks and opportunities were assessed using discrete, quantifiable climate driver data based on industry, environmental, and market assumptions.**

Anticipated financial impacts, guided by climate data, were considered through 2050, while focusing on evaluating financial implications over the next five to ten years. Our scenario analysis assessed potential business outcomes under scenarios aligned with Axalta’s climate-related risks and opportunities.

We evaluated relevant data for drivers tied to future climate scenarios to determine the financial impact of each of Axalta’s climate-related risks and opportunities. We did so by estimating the effect of these drivers on Axalta’s projected revenues and costs. Driver data evaluated included, but was not limited to, oil prices, natural gas prices, EV sales, vehicle miles, extreme weather, and labor costs. Axalta estimated the scale of financial impacts based on the outlined climate data and assessed whether projected outcomes were relevant to our business. This quantitative assessment was supplemented by engaging with Axalta subject matter experts across senior leadership and cross-functional business units.

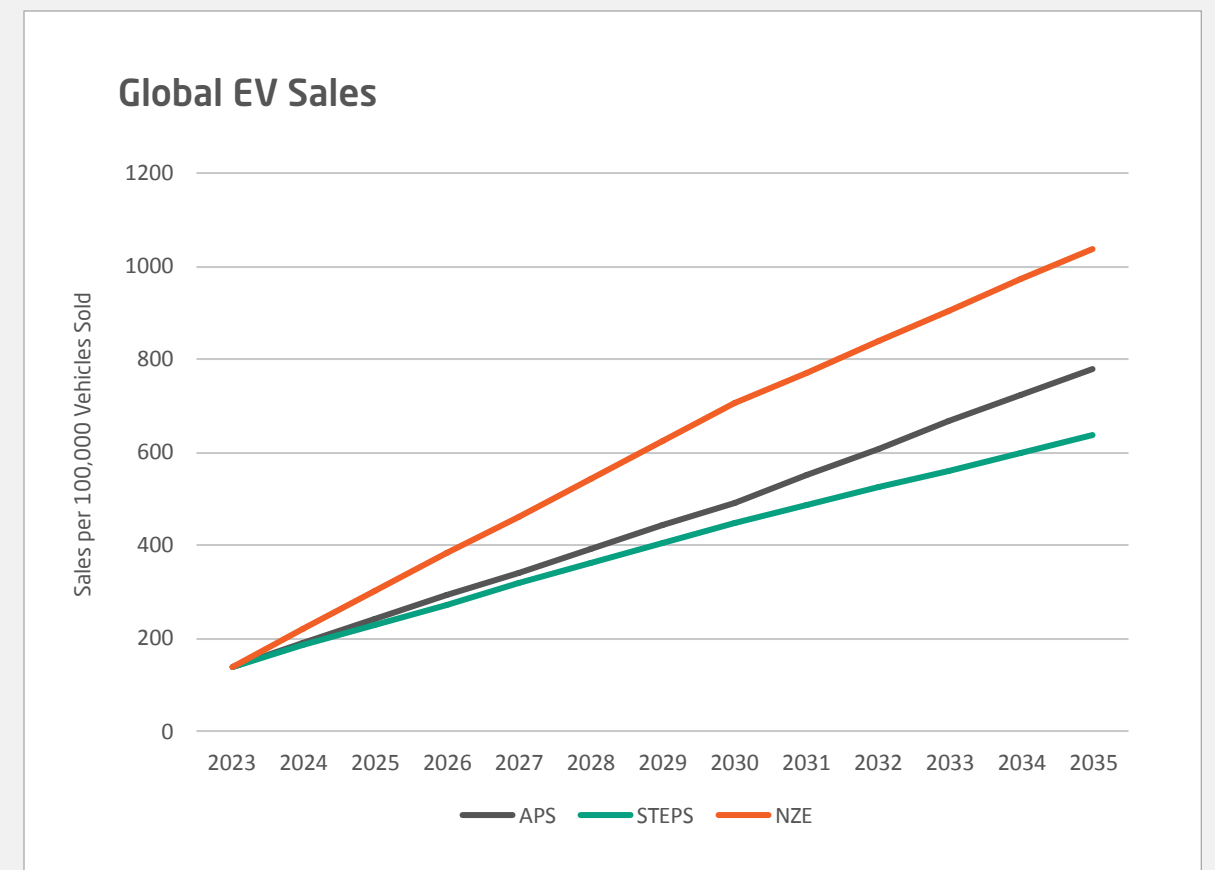
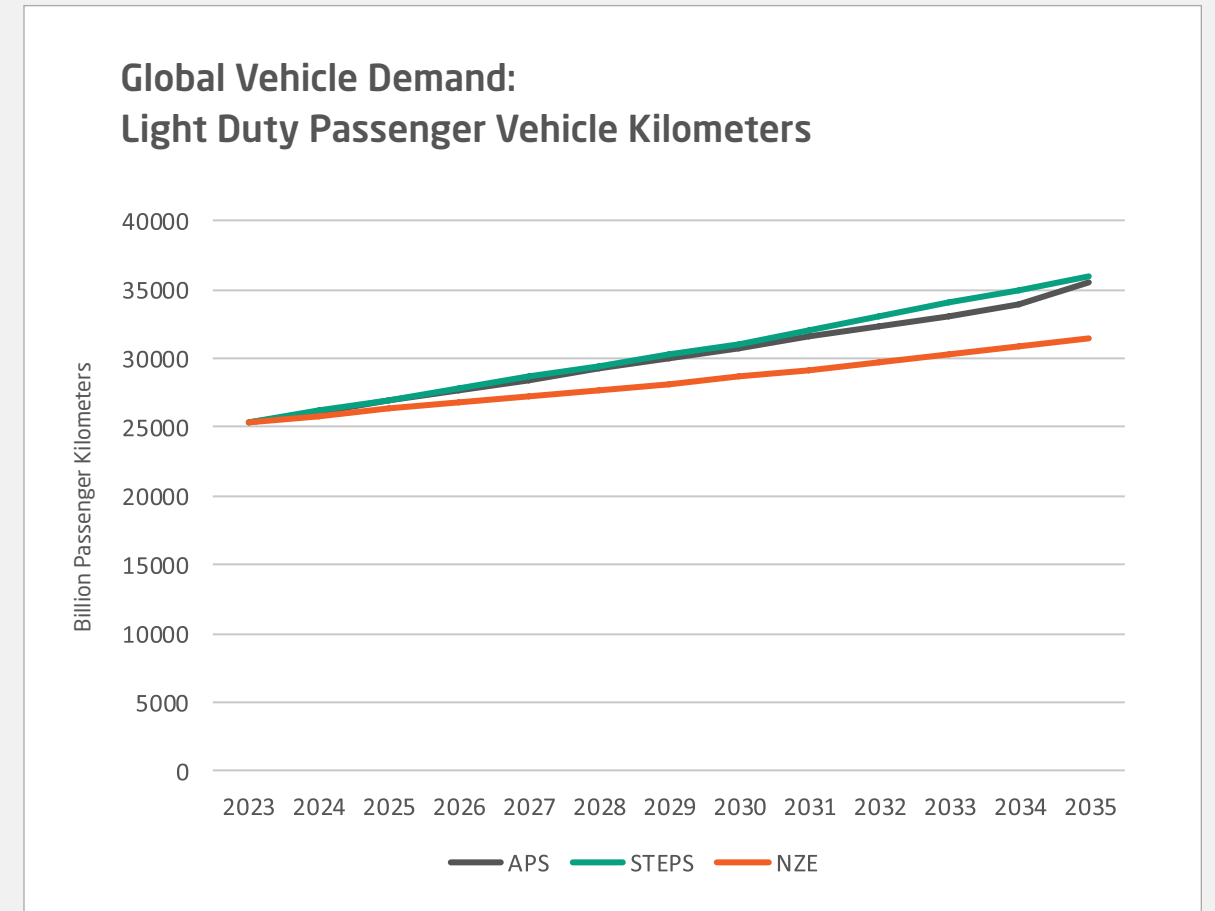
The climate drivers we assessed as part of this scenario analysis showcase the variety of ways in which global markets are changing. While some climate driver projections pose challenges to our business, others create opportunities for innovation and growth, allowing us to prepare our business and our customers for a variety of outcomes. Many of the adverse impacts of climate change will be felt across the market, like production costs increasing due to a rise in oil prices and material input costs. In other cases, increased damages from severe weather events support our business as our coatings are designed to protect against or repair the resulting vehicle wear and tear. By taking an in-depth look at the drivers influencing our operations, we are better positioned to adapt, mitigate risks, and make informed strategic decisions around our climate strategy.

## A Closer Look

### Global Vehicle Demand and EV Sales

We assessed global vehicle demand and EV sales drivers given Axalta’s strategic position in the automotive value chain. Our analysis affirmed our belief that Axalta remains well-positioned to continue delivering sustainable, high-performance solutions for a growing and increasingly complex automotive industry. According to the 2024 WEO, demand for vehicle travel is expected to grow steadily, with minimal differences between the STEPS and Announced Pledges Scenarios. Even under the NZE pathway, an overall increase in passenger vehicle miles is still anticipated. This continued vehicle usage supports demand across some of Axalta’s end-markets: Refinish, Light Vehicle OEM, and Commercial Vehicles.

Graph 2 shows that EV sales are projected to rise across multiple IEA climate scenarios. The shift toward EVs is expected to influence demand for general coatings and specialized solutions such as Axalta’s battery coatings and other EV-specific technologies. We believe Axalta is well-prepared to capitalize on this growth, as we continue to innovate and expand our portfolio to support the transition to electric vehicles. For more information on how our products support this transition, please refer to this report’s [Sustainable Products Strategy](#) section and visit our [website](#).



Source for Graph 1 and 2: International Energy Agency, World Energy Outlook 2024, October 2024

# Scenario Analysis Results

**This scenario analysis confirmed the relevance and magnitude of impact of each identified risk and opportunity on Axalta’s business.**

In total, we determined seven climate-related risks and five climate-related opportunities to be relevant to our business. This determination is key to supporting Axalta’s disclosures and priorities for our climate strategy. For more details on the identified risks and opportunities, please see the table in the [Climate-related Risks and Opportunities](#) section above.

## Metrics and Targets

Axalta remains committed to transparency by providing information to our stakeholders through comprehensive data tracking and reporting. We provide metrics related to our climate-related risks and opportunities in the [Appendix](#) of this report. Axalta set public environmental targets in our 2020-2022 Sustainability Report, including a long-term GHG emissions reduction target. In 2025 we revised our GHG emissions reduction targets to reflect our current environmental strategy. For more details about our goals, please refer to the [Our Approach to Sustainable Operations](#) and [Climate Strategy](#) sections of this report.



### References

More information regarding Axalta’s climate-related risk mitigation strategies and climate-related opportunity optimization strategies can be found in several of our public-facing documents including:

#### 2023-2024 Sustainability Report

- [Sustainability Oversight Section](#)
- [Our Approach to Sustainable Operations Section](#)
- [Sustainable Products Strategy Section](#)
- [GHG Emissions & Energy Section](#)
- [Risk Management & Oversight Section](#)
- [Appendix Performance Data Section](#)

#### Corporate Webpages

- [Sustainability](#)
- [Products and Customers](#)

#### Additional Resources

- [2024 10-K](#)
- [2025 Proxy Statement](#)
- [Q3 2025 Investor Presentation](#)
- [2020-2022 Sustainability Report](#)

## GHG Emissions & Energy

At Axalta, we recognize our responsibility in addressing the global challenge of climate change. We are committed to reducing our environmental footprint by driving operational efficiencies and implementing energy-saving initiatives across our operations.

Our manufacturing processes are inherently less energy-intensive than many chemical manufacturers, as our product formulation relies primarily on blending rather than chemical reactions. Despite this advantage, we continue to pursue new opportunities to enhance energy efficiency and minimize environmental impacts. We currently have one site with a certified ISO 50001 energy management system and two additional sites in the process of implementing ISO 50001.

As part of our climate strategy, we have set targets to **reduce Scope 1 and 2 GHG emissions by 30%** and to **source at least 30% of electricity from renewable resources by 2035**. These milestones mark critical steps in our path towards our third climate target - to **achieve carbon neutrality in our operations by 2050**.<sup>14</sup>

**GOAL**  
**30%**

absolute reduction of Scope 1 and 2 GHG emissions from manufacturing **by 2035** against a 2019 baseline.

**GOAL**

Source at least

**30% OF ELECTRICITY**

for manufacturing from renewable sources by 2035

**GOAL**

Achieve

**CARBON NEUTRALITY**

in our operations by 2050

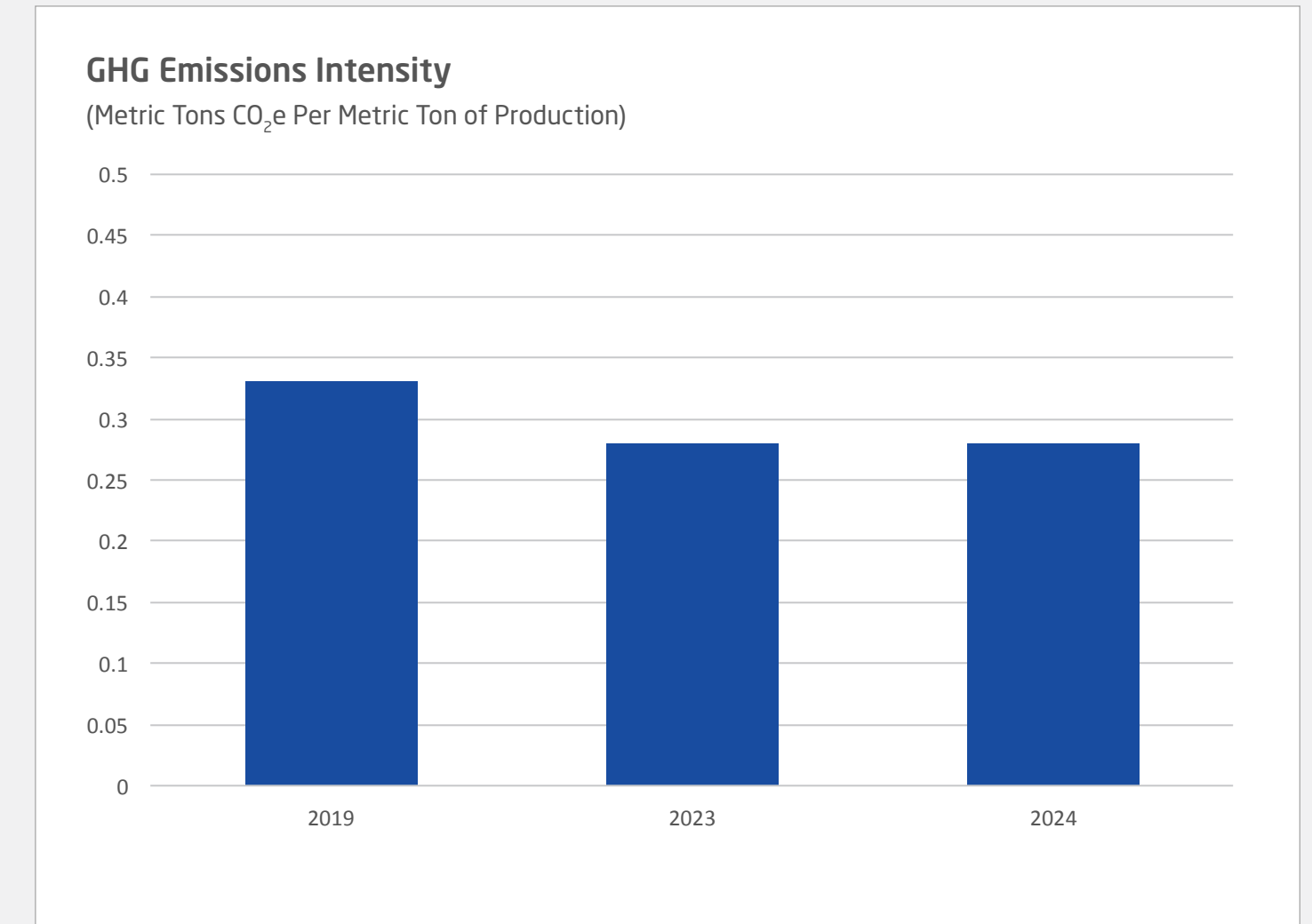
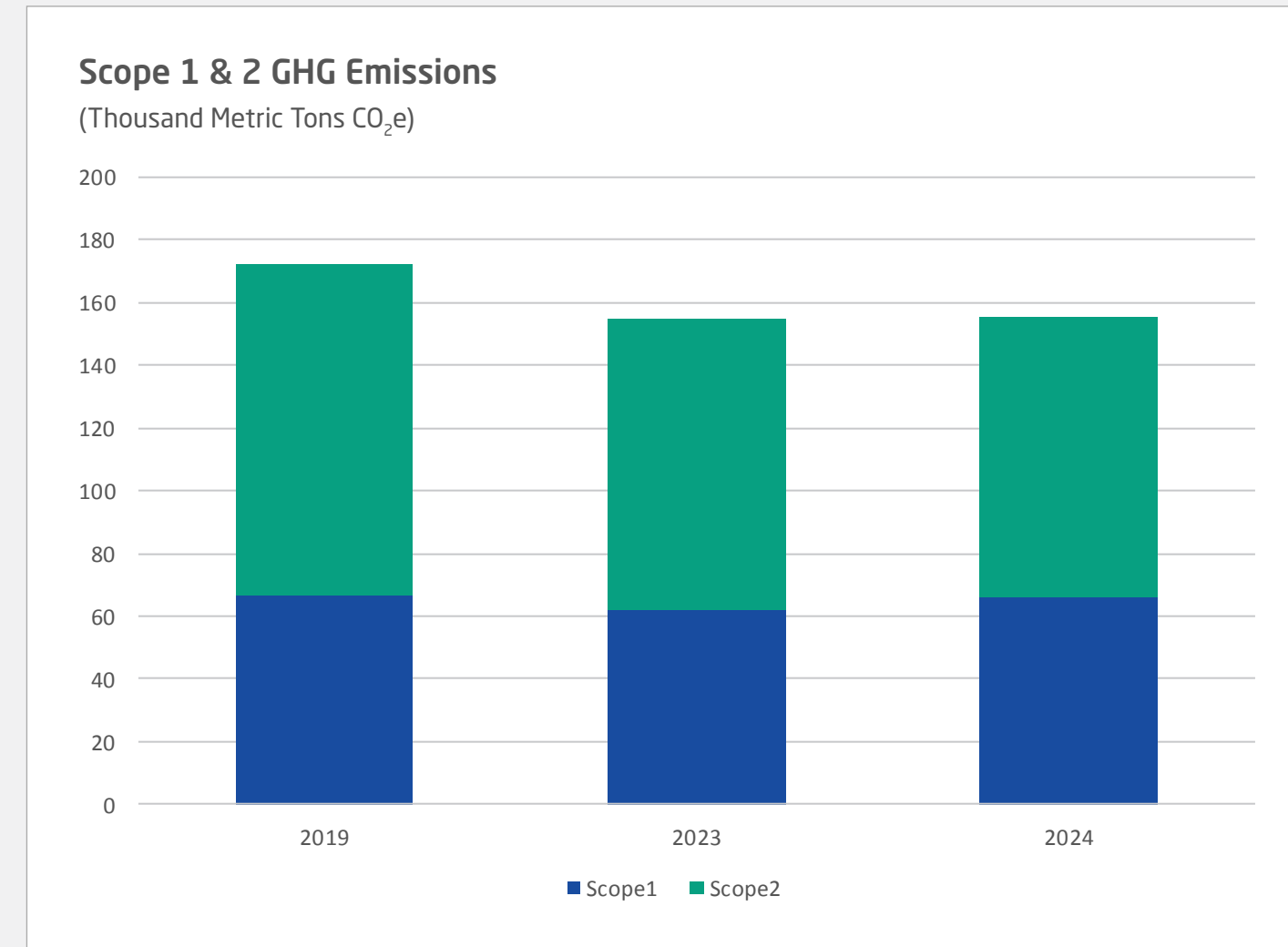
<sup>14</sup> Axalta's carbon neutrality goal includes Scope 1 and Scope 2 emissions.

# GHG Emissions

At Axalta, we calculate our GHG emissions footprint in accordance with the Greenhouse Gas Protocol (GHGP) accounting standards, aligning our approach with recognized best-practice calculation methodologies.<sup>15</sup>

In 2024, our Scope 1 GHG emissions for our manufacturing and research facilities were 65,900 metric tons CO<sub>2</sub>e, representing a 1.7% decrease compared to our 2019 baseline.

Our Scope 2 GHG emissions<sup>16</sup> for our manufacturing and research facilities were 89,600 metric tons CO<sub>2</sub>e in 2024, a **15% reduction from the baseline year**. Our total Scope 1 and Scope 2 emissions ultimately decreased by 9.7% in 2024 compared to the baseline year. We also calculate our GHG emissions intensity to adjust for changes in production, and are proud to report a 23% decrease in GHG emissions intensity from our 2019 baseline.



Axalta pursues a range of GHG emissions reduction and mitigation strategies across our owned and leased operations. Our sustainability strategy is centered on creating value for our customers, which often extends to Scope 3 impacts. We have made significant investments in new resources and capabilities to expand our capacity to develop Product Carbon Footprints (PCFs). By enhancing our internal expertise and leveraging advanced tools, we expect to be able to provide more comprehensive and timely PCF data, supporting our customers’ sustainability goals and regulatory requirements. We are also committed to expanding our reporting to include Scope 3 emissions in the future.

As part of our climate strategy, Axalta integrates sustainability considerations into infrastructure planning and decision-making. In 2024, for example, we expanded our capital review process to ensure sustainability is included as a consideration in project planning.

<sup>15</sup> Greenhouse gas (GHG) emissions are calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard using an operational control boundary. Emissions are measured, estimated, or calculated using recognized emissions factors from relevant authorities and industry sources. The inventory reflects all material Scope 1 and Scope 2 emissions associated with 46 of 47 manufacturing and R&D locations. The methodologies, data sources, and assumptions applied are consistent with the GHG Protocol framework and are designed to ensure completeness and comparability across reporting periods.

<sup>16</sup> Our 2019 target base year emissions calculations were revised due to recent acquisitions and the use of improved emissions factors. Reported GHG emissions reflect the most accurate data and methodologies available at the time of publication. Consistent with the GHG Protocol guidance on base-year recalculations, the Company reviews structural changes, including mergers, acquisitions, and divestitures, to determine whether updates to prior-year or baseline emissions are required. Where acquisitions materially expand the reporting boundary, historical emissions have been restated to ensure year-over-year comparability. Recalculations may occur when improved methodologies, emissions factors, or data sources become available. All adjustments have been applied consistently across reporting years.

# Energy

**At Axalta, we track energy use across our operations at the site level. Our direct energy use<sup>17</sup> totaled 1.2M GJ in 2024, a 5.9% decrease from our 2019 baseline.**

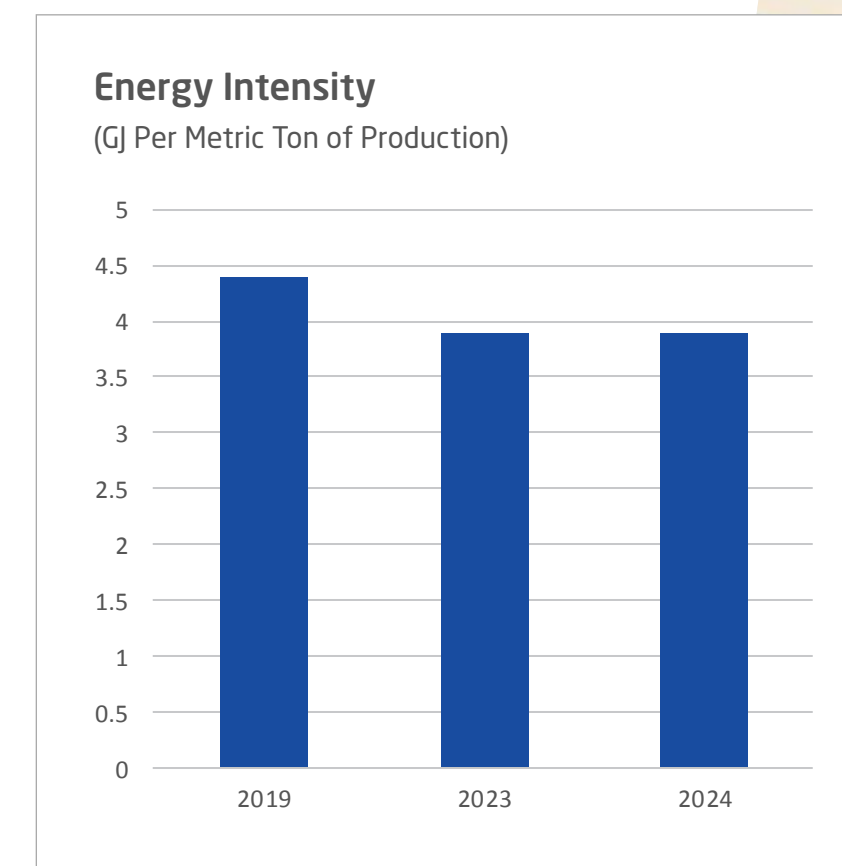
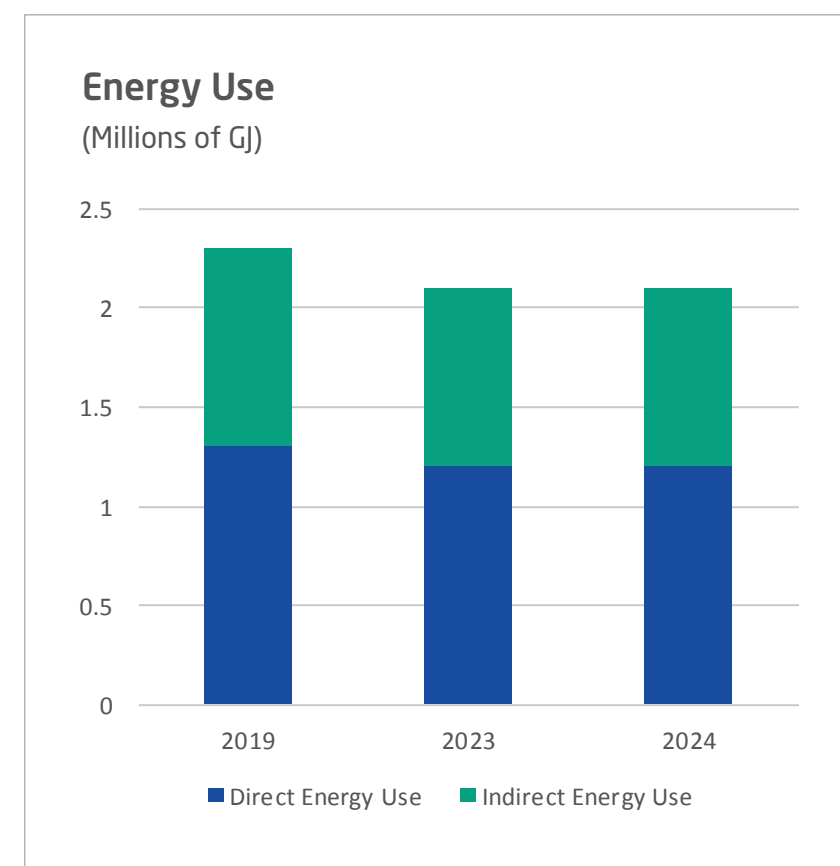
We continue to implement energy-saving measures, such as upgrading to LED lighting and investing in more efficient equipment, like boilers and air compressors, to continue to improve our operations while reducing energy demand.

To identify the most impactful opportunities for energy efficiency, we completed comprehensive energy audits at eight of our largest facilities in 2023 and 2024. These audits provided detailed insights that have guided our ongoing efforts towards energy efficiency. Projects resulting from these audits included HVAC upgrades, compressed air management, and electrification measures. Reductions in site electricity and natural gas consumption have been achieved through major facility lighting upgrades at locations such as Mount Clemens, Michigan; Houston, Texas; High Point, North Carolina; and Front Royal, Virginia, as well as through investments in more efficient equipment, including chillers in Darlington, United Kingdom and Montbrison, France.

We also remain committed to expanding our use of renewable energy certificates (RECs) across our operations. In 2024, **we purchased RECs to source 100% renewable electricity<sup>18</sup>** for facilities in Austria and Brazil. We also purchase RECs to offset a portion of our energy at facilities in Colombia, China, Germany, and Switzerland.

In addition to the energy-saving initiatives we have incorporated into our own operations and production processes, we consider energy as an important factor in the products we offer to our customers. Many of our products enable our customers to reduce their energy consumption in the coating process. For more information on our sustainability-focused product offerings, please visit the [Sustainable Products Strategy section](#) of our report.

**In 2024, Axalta received the Responsible Care<sup>®</sup> Energy Efficiency Award from the American Chemistry Council for our Front Royal site's nitrogen generator project. This project eliminated the need for liquid nitrogen deliveries, reduced energy use, emissions, safety risks and operational costs, and advanced energy efficiency across our operations.**



<sup>17</sup> Energy use includes on-site fuel combustion and purchased electricity, calculated using standard energy conversion factors to ensure consistency across all facilities.

<sup>18</sup> Sites are considered 100% renewable when certified Renewable Energy Certificates (RECs) or Energy Attribute Certificates (EACs) are purchased in an amount equal to the annual volume of electricity consumed.

# Air, Waste & Recycling

## Air Emissions

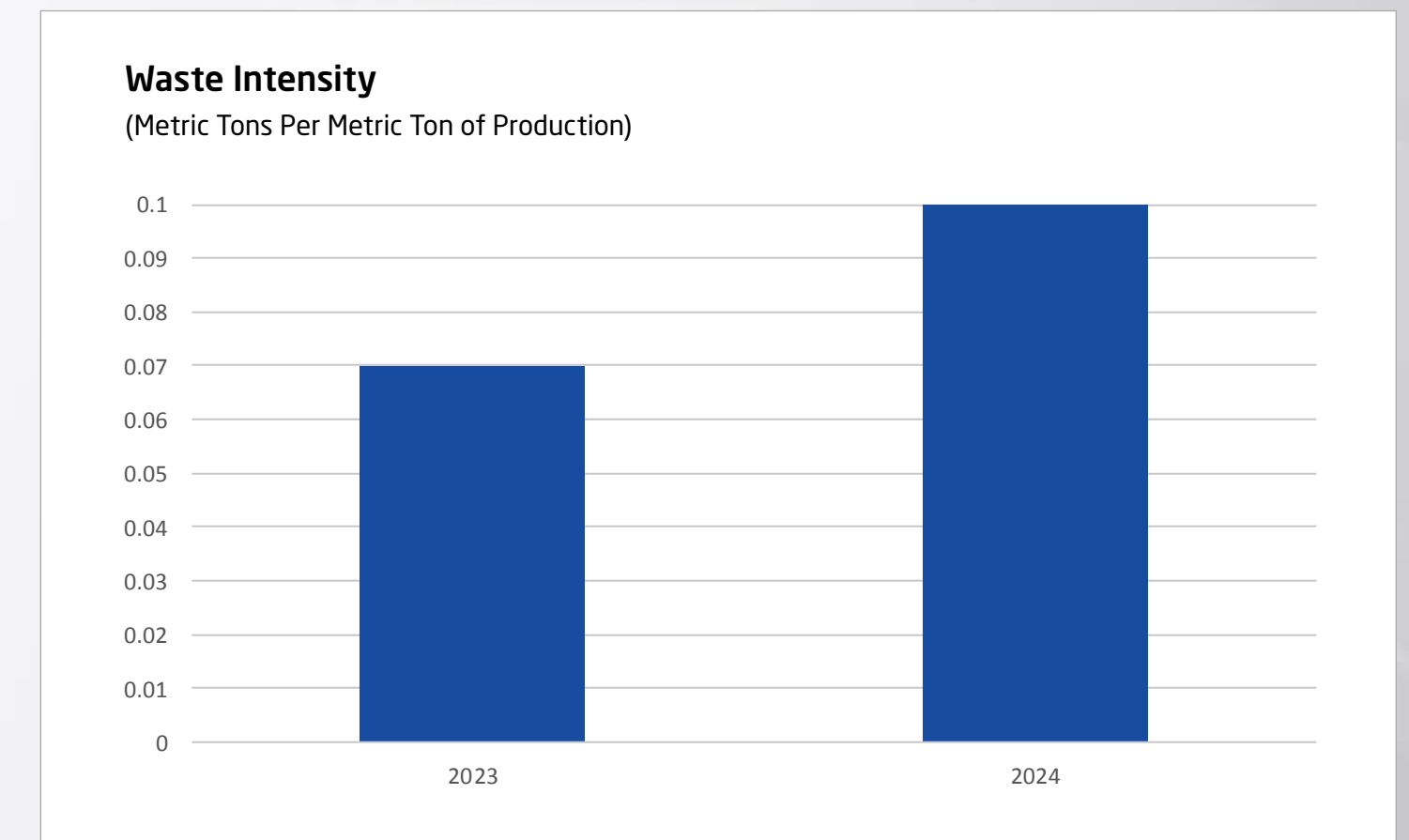
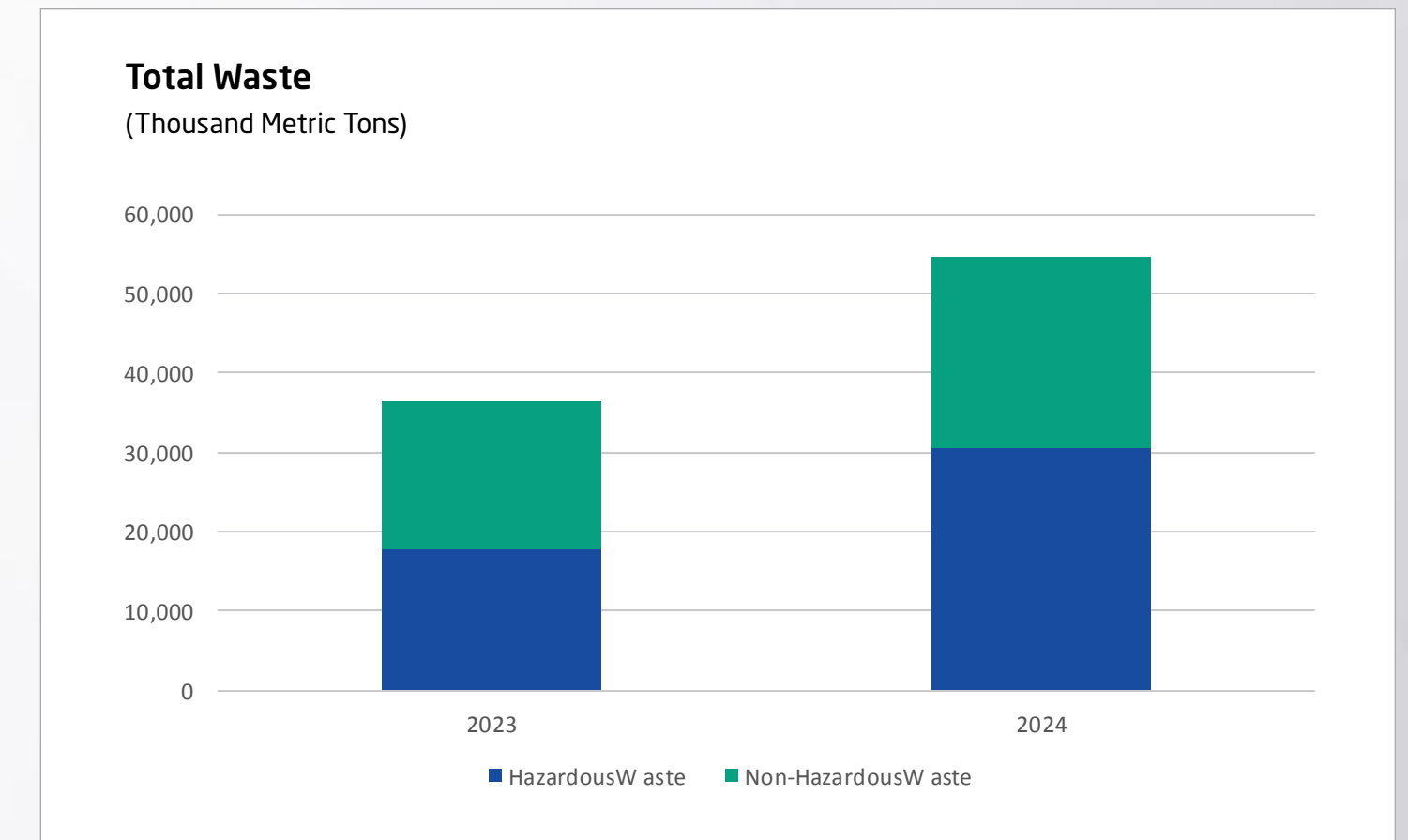
In the coatings industry, managing air emissions is a critical focus, and Axalta is committed to doing so responsibly across our operations. Volatile Organic Compounds, or VOCs, emissions result primarily from the raw materials used in our production processes. Since 2019, **we have made substantial progress in reducing VOC emissions, including achieving our target of a 10% reduction in VOC emissions intensity in 2024**, ahead of our 2030 target.

Many jurisdictions where we operate impose regulations on VOCs that apply both to manufacturers like Axalta and to our customers. Our EHS team carefully monitors these requirements for compliance and to equip our customers with the information they need to meet their own obligations. In addition, many of our products are formulated to be free of hazardous air pollutants (HAPs) and to contain extremely low levels of VOCs, enabling our customers to further reduce their air emissions footprint. For more information on our sustainability-focused product offerings, please visit the [Sustainable Products Strategy section](#) of our report. Air emissions will remain an area of focus for our business, and we are committed to identifying new opportunities to further reduce VOCs within our operations.

## Waste & Recycling

As a global manufacturer, responsible management of hazardous and non-hazardous waste is a critical priority for Axalta. We continually seek opportunities to enhance our production processes to minimize waste from our operations, carefully manage hazardous materials, and maximize recycling where feasible. Our 'right first-time production' program supports this effort by improving operational efficiency and reducing manufacturing-related waste. We also maintain rigorous oversight of waste-related regulations for compliance across all jurisdictions in which we operate. Our products are designed to provide sustainability benefits to our customers, which can include reduced waste within their operations. For example, we leverage innovative technologies to optimize the paint-shop process, which can help customers reduce waste. For more information, please visit the [Sustainable Products Strategy section](#) of our report.

At our liquid coating facilities, solvents are an integral part of the manufacturing process and are often classified as waste at the end of production. To address this, we have developed processes to recover and recycle solvents back into production, reducing both waste generation and raw material use. We continue to explore innovative approaches to recover process-related waste and expand opportunities for landfill diversion across our global operations.



# Water

## We use water in our manufacturing process and for sanitary use at our production sites.

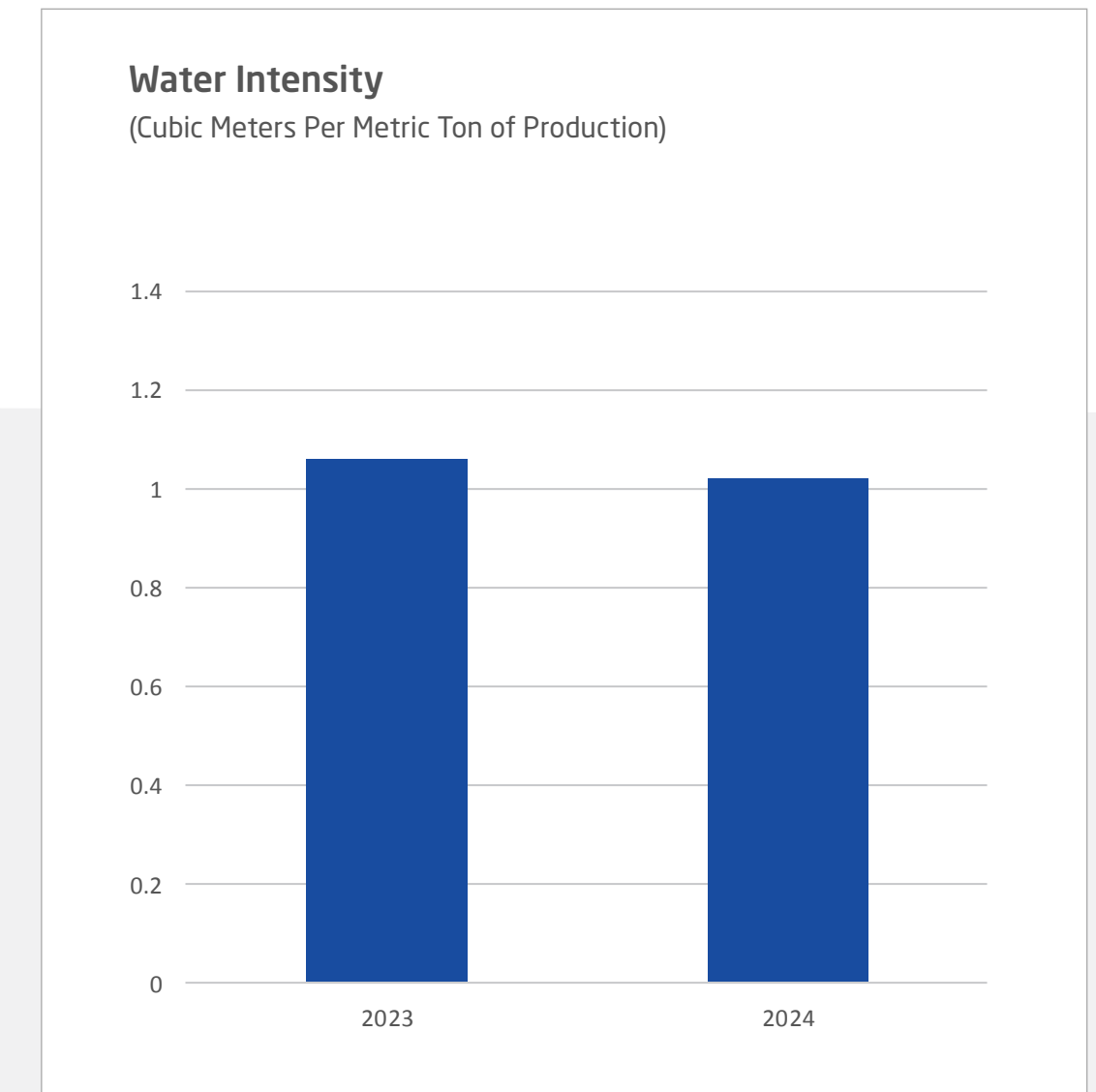
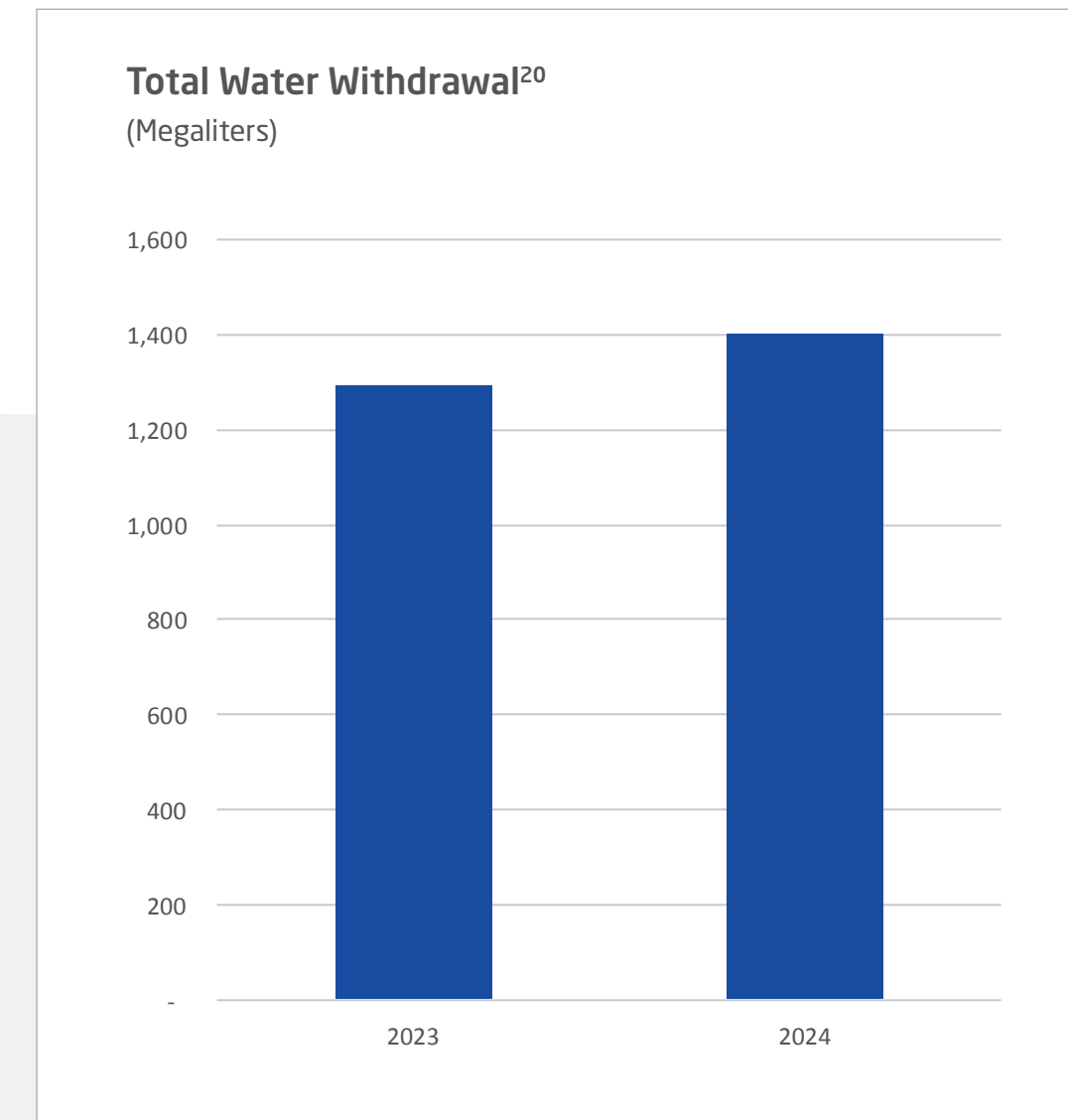
We carefully monitor our water use at each facility and have conducted water-risk assessments at each production site using the World Resources Institute (WRI) Aqueduct tool.<sup>19</sup> In 2024, 14 of our 47 manufacturing and R&D locations were in locations deemed high or extremely high risk for water stress by the WRI.

Axalta continues to invest in innovative tools and facility upgrades that support reductions in water withdrawal. On-site water treatment facilities at our manufacturing sites in Mount Clemens, Michigan, and Jiading, China, have allowed us to continue the reclamation of water into our manufacturing process, reducing the water withdrawal from local municipalities.

Axalta’s Environmental, Health, and Safety Policy guides our decision-making globally for identifying and classifying potential water pollutants associated with our production process. In accordance with the policy, we use a risk-based approach to minimize environmental risks throughout all product lifecycle stages. Through our RC 14001:2015 certified management system, Axalta tracks relevant water-related regulatory requirements in the jurisdictions in which we operate to promote full compliance.

Axalta also supports water recycling capabilities for our customers through sustainable product formulation. For instance, our AquaEC™ e-coat solution is a water-based coating that includes no hazardous materials, which enables water recycling by our customers.

For more information on our sustainable product offerings, please visit the [Sustainable Products Strategy](#) section of our report.



<sup>19</sup> Axalta utilizes WRI's Aqueduct tool, leveraging peer-reviewed data to map water risks such as floods, droughts, and stress.

<sup>20</sup> Total water withdrawal is calculated by aggregating all water sourced from municipal supplies, groundwater, and surface water across facilities, based on metered data and/or utility invoices. Due to rounding, total values may not always match the sum of the parts.



AXALTA SUSTAINABILITY REPORT 2023-2024

# People



## Our Employees

**At Axalta, our people are at the heart of everything we do. Our employees' talent, expertise, and dedication drive our ability to deliver for customers and drive innovation across our global operations as we continue to evolve as a company. We are committed to attracting, developing, and retaining top talent while fostering an environment where all employees can thrive.**

We prioritize the health, safety, and well-being of our workforce and are committed to building a culture rooted in inclusion, collaboration, and continuous growth. This includes offering competitive compensation and benefits, expanding access to professional development, and creating pathways for advancement. These efforts align with our cultural transformation under the A Plan, which is unifying our business into a more aligned and agile company. By strengthening our culture and empowering our people, we are enhancing operational efficiency while creating shared value for employees, customers, and stakeholders.

### Employee Health & Safety

The health and safety of our employees is our highest priority at Axalta. Guided by our EHS Guiding Principles, we are committed to maintaining a safe, secure, and environmentally responsible workplace that protects our employees and communities in which we operate, as we strive for a zero-incident culture.

To support this ambition, we implement proactive safety programs across our global operations. These include risk assessments, good catch/near-miss reporting, and deployment of advanced tools to identify and mitigate hazards before incidents occur. At Axalta, safety is a company-wide priority where everyone, from frontline employees to senior leaders, plays an active role in reinforcing our shared commitment to a zero-incident culture.

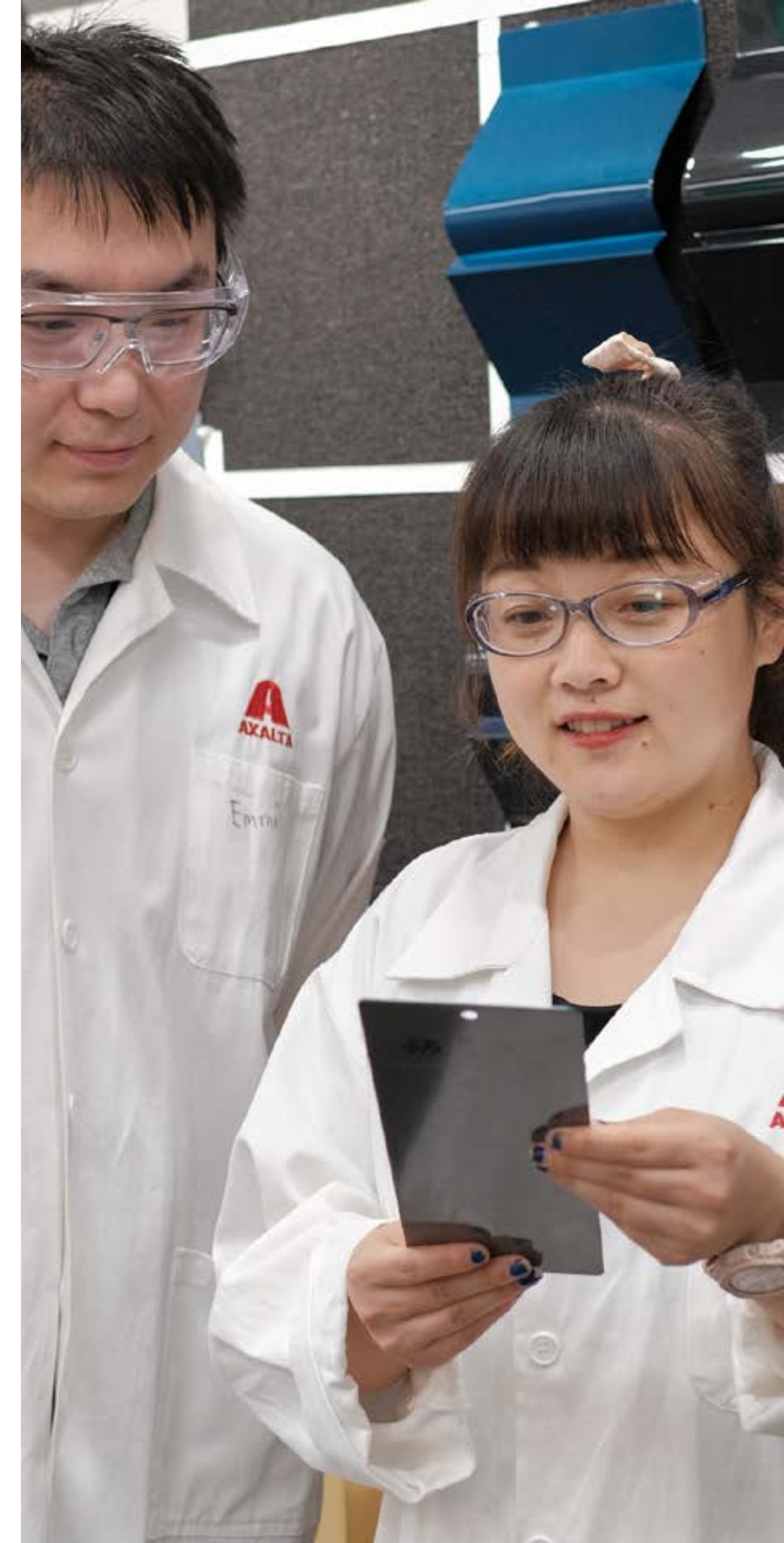
#### Safety Oversight

Responsibility for health and safety begins at the highest levels of the organization. Our Executive Committee sets the strategic direction for health and safety, while our global EHS team executes this strategy and provides subject matter expertise. The EHS team is comprised of global and regional EHS managers who frequently engage with employees and perform site visits to collect feedback, monitor progress, and drive improvement. Health and safety oversight extends to the Board level, where the EHS&S Committee oversees the Company's health and safety policies and regularly reviews safety performance.

### Safety Standards and Certifications

Our global EHS standards and strategy are regularly reviewed and updated to align with industry best practices. In 2023, we refreshed our global EHS policies to simplify and standardize best practices across operations. All Axalta facilities received training on the updated standards.

We manage safety through our global Responsible Care® Management System, which is built on three pillars: foundational programs, people-focused initiatives, and management systems. Guided by our ONE Axalta mindset, this framework provides a consistent and structured approach to health and safety across all operations, aligning with our refreshed EHS Guiding Principles. Further, these standards are aligned with the ACC's Responsible Care 14001® Guiding Principles, helping to reinforce the use of best practices across our global operations. Our RC14001® Management System applies to all Axalta manufacturing sites worldwide, setting clear policies, standards, and best practices for on-site workers. Certified by third-party auditors, this system meets the requirements of ISO 45001, ISO 14001, and ISO 50001. We have established a five-year plan to incorporate 100% of our sites into the global certification program. As of 2024, 56% of sites have achieved RC 14001 certification or equivalent. In 2024, our sites in Huntsville, Alabama and Fort Madison, Iowa were recognized with ACC Safety Awards.



## Incident Prevention & Reporting

Our health and safety strategy is focused on preventing incidents before they happen. Enabling our frontline workers to identify and prevent incidents is critical to executing our proactive approach to workplace safety. Our Good Catch Reporting and Stop Work Authority programs aim to empower our employees to preemptively report and stop incidents or mishaps.

Axalta's Good Catch Reporting program is an extension of near-miss incident reporting, under which employees are encouraged to report all behaviors and workplace conditions that may pose a risk, regardless of their severity. All reports are evaluated and, when appropriate, responded to with remediation measures. In 2024, over 54,000 good catches were reported.

The Stop Work Authority program enforces the expectation that all employees, contractors, and visitors must stop any operation or task that is inconsistent with Axalta's health, safety, environmental, or quality standards. The Stop Work Authority program guarantees that no personnel will be penalized for stopping work under these conditions, encouraging employees and contractors to maintain safe and responsible operations. In 2023, Axalta successfully implemented the Stop Work Authority program across all sites globally, including translating all related resources into 11 languages so the guidance is explicit and thoroughly integrated globally.

Given that the workers at our manufacturing facilities are most directly exposed to operational health and safety risks, we rely on their acute surveillance to ensure EHS standards are upheld and newly identified risks are communicated. We strive to create an environment where employees are comfortable and encouraged to report health and safety incidents or violations. To do so, we have set an annual minimum reporting requirement that employees must reach and offer incentives to reward positive and proactive incident reporting and management.

In the event of an incident or a high-potential near-miss case, Axalta employs a formal investigation to identify and analyze the root cause of the issue. Findings from our investigation are used to inform corrective actions and necessary measures to mitigate risks in the future. In addition, we have a Flash Alert system that promptly alerts all facilities of incidents when they happen, describing the incident, the causal factors, and any immediate actions that should be taken across facilities to prevent similar incidents. Our investigation is followed by an effectiveness check to confirm all necessary actions have been taken to properly resolve the issue. Once the root cause analysis is complete, the personnel responsible share an overview of the events and remediation processes with our global team during the monthly EHS Lessons Learned meetings. These meetings offer a centralized platform for raising community hazards and risk management strategies to prevent similar mishaps from happening elsewhere.

In 2024, Axalta greatly enhanced our health and safety capabilities by integrating new and improved technologies. We invested significantly in reinvigorating our EHS software platform so that all EHS trainings, guidelines, investigations, and reporting mechanisms are on one centralized platform. This development has improved the ease and accessibility of our EHS materials and reporting. To further mitigate health and safety risk throughout our operations, we introduced an AI model that uses ergonomics to assess the risk of specific operations. This tool has been valuable in proactively identifying and mitigating health and safety risks, while also providing opportunities to improve the efficiency of our operations. We intend to continue improving our risk management capabilities by integrating evolving technologies across facilities globally.



## Safety Initiatives & Training

To reduce safety risks, we consistently engage employees through training, education, and communications that reinforce our safety culture. Direct engagement methods – such as global safety days, site-led safety weeks, safety posters, safety moments, and other initiatives – integrate safety messaging into our daily operations and promote a culture of safety excellence across the organization.

Our comprehensive safety training program is fundamental to establishing safe work environments for our employees. All employees receive training on EHS Guiding Principles, as well as site-specific safety training. Acknowledging that different sites will face different conditions, Axalta performs periodic safety gap analyses at the site level and upon acquisitions of new sites, to identify the safety trainings most pertinent to our workforce. Our safety training program consists of various training sessions that are informed by data-driven insights to address material safety concerns. On the right are a few of the many training programs offered in 2023 and 2024 and their impact on our safety performance.

## Safety Training Spotlights

### Frontline Leadership Training

Frontline leadership training focuses on properly managing our on-site operations to mitigate safety risks. During this training, **1,200 front-line leaders attended more than 45 classes worldwide for a 2-day workshop on enhancing leader safety training.**

### Return to Work Safely Initiative

After identifying increased safety incidents after the December holidays, we initiated the Return to Work Safely training, which provides front-line workers with a refresher on health and safety protocols and best practices when they return to work after time off. The return to work initiative has contributed to **a 64% reduction in recordable injuries during these months.**

### Global Driver Safety Program

Our Global Driver Safety Program provides specialized driver training lessons to improve awareness and safety for employees who routinely drive for Axalta business purposes. Upon releasing this annual training program, **we reached a 97% completion rate among the 2,200 employees in the program** and recorded no recordable injuries related to driving on the road and **a 35% reduction in collisions.**

### Summer Safety Program

Similarly, the Summer Safety Program offers role-specific training refreshments at a time when incident rates historically trend higher. After kicking off in 2022, we have recorded a decrease in injury rates in the summer months compared to pre-2022 data, with the summer safety initiative contributing to **a 59% reduction in recordables during the summer months.**

### Safety Performance

Our pursuit of Zero Incidents has already led to measurable improvements in safety performance. In 2024, Axalta reported an **OSHA Total Recordable Incident Rate (TRIR) of 0.29<sup>21</sup>**, a significant reduction from the previously reported rate of 0.49 in 2022. While striving for Zero Incidents, **Axalta is working towards the long-term target of a 0.19 or lower TRIR.** All Axalta locations apply OSHA's standardized global reporting criteria to maintain consistency.

### Total Recordable Incident Rate

|                        | 2022 | 2023 | 2024 |
|------------------------|------|------|------|
| <b>Total Workforce</b> | 0.49 | 0.35 | 0.29 |
| <b>Employees</b>       | 0.59 | 0.37 | 0.30 |
| <b>Contractors</b>     | 0.08 | 0.27 | 0.23 |

### Process Safety

Axalta's Global Process Safety Management team and Reactor Safety Network, consisting of engineers, scientists, safety experts, and site leaders, are responsible for establishing operating standards, reviewing process technologies, and assessing product modifications to secure safe process operations. All of our facilities are managed in alignment with regulatory requirements and global EHS standards, which are reinforced by a comprehensive, multi-tiered audit system designed to minimize risks and drive continuous improvement.

<sup>21</sup> Total recordable incidents based on U.S. OSHA 29 CFR 1904 and applied globally.

### GOAL

Achieve and maintain a TRIR of

**0.19** OR LOWER ANNUALLY

while striving towards Zero.



# Employee Recruitment, Development & Retention

**As a global company with over 12,000 employees spanning management, technical, commercial, and manufacturing roles, we recognize the importance of maintaining an effective strategy to attract, develop, and retain top talent, enabling us to meet our business objectives.**

Initiatives related to employee recruitment, development, and retention are led by our Human Resources team and reviewed and approved by the Executive Committee and overseen by the Board of Directors.

## Employee Culture

Over the last several years, Axalta has been engaged in a cultural transformation, which has started with our people. By unifying our strategy, processes, and initiatives across business units, we are reinforcing ONE Axalta and building an organization that fosters innovation, collaboration, and efficiency. In alignment with this philosophy, we are committed to cultivating a workplace culture where every voice is heard, differences are embraced, and employees are supported to grow and succeed. We have adopted a shared set of core values - Do What's Right, Act Boldly, Win Together - that guide our decisions as individuals and as an organization. These values align closely with Axalta's purpose statement: We innovate smarter surface solutions for better living and a sustainable future.

As part of the ONE Axalta mindset, we have invested in our people and updated every part of the employee lifecycle to streamline the employee experience across business units, functions, and geographies.

### Key enhancements to the employee experience include:

- Launching a new human resources services model to bring greater consistency to employee processes and culture
- Implementing Workday to provide a standardized, digitized experience for employees globally
- Introducing a translation strategy to make all performance and compensation-related materials and training accessible in nine core languages
- Expanding and strengthening learning and development programs to support employee growth

As Axalta's workforce continues to grow naturally and through acquisitions, the ONE Axalta mindset is critical to our success. Upon completing any acquisitions, we work quickly to integrate workforce policies and cultures to bridge gaps and create cohesion with our existing workforce.

## CoverFlexx Acquisition

In 2024, Axalta acquired the CoverFlexx Group from Transtar Holding Company to expand our offerings in Refinish coatings. The CoverFlexx Group has manufacturing facilities in Michigan, U.S., and Ontario, CA. While employees' day-to-day responsibilities remained largely unchanged, all team members from the former CoverFlexx Group were promptly onboarded to Axalta's systems, benefits, and culture. This efficient process enabled a smooth transition into ONE Axalta, minimized operational disruption, and was met with positive feedback from employees who appreciated the quick and supportive onboarding experience. New colleagues especially valued Axalta's culture, which prioritizes physical, emotional, and financial wellbeing, helping them feel welcomed and supported as they became part of the broader team. Additionally, integration into Axalta has provided these employees with access to a wider portfolio of products and customers, expanding their opportunities for growth and collaboration within the organization.

## Learning and Development

Axalta’s success is driven by our people, so we strive to foster a culture that supports continuous learning, growth, and development for every employee. Our comprehensive approach begins by attracting top candidates and onboarding them to Axalta’s mission, vision, and values.



### Recruiting

In 2024, we introduced new interview guides and training to standardize our approach to recruiting.



### Onboarding

In 2024, we designed and implemented a new onboarding program consistent across all our operations. The program includes virtual new hire orientation trainings and resources for managers welcoming their new hires. New hires can also access job-specific training to help them upskill for their new roles.



### ONE Axalta Training

As part of our cultural transformation journey, Axalta launched the ONE Axalta mindset training in 2024 to empower employees to fully live our shared values and shape a more inclusive, unified culture. **This global initiative inspired over 95% of our workforce to complete the training** and lead with purpose, connect across boundaries, and bring the ONE Axalta spirit to life every day.

Once employees are hired, Axalta provides training programs and development tools for professional advancement across all business functions and levels. By equipping employees and leaders with effective management resources, we promote individual growth and strengthen overall operational excellence.

### Some of our prominent training and professional development initiatives include:

#### Aspire

Aspire is our self-guided learning platform that offers over 3,500 courses to Axalta employees, covering professional development and job-specific training. Use of the Aspire platform has continuously increased year-over-year, and with more than 10,000 active users today, has increased significantly from the prior year. Additionally, system-tracked training hours increased over 60% from the prior year, in part due to the introduction of ONE Axalta training.

#### Axalta Leadership Program (ALP)

The Axalta Leadership Program equips managers with the foundational people management skills necessary for leading others. In 2024, over 1,200 participants engaged in one or more training programs focused on effective managerial and leadership skills. With the redesign of Axalta’s performance and bonus structure, a concentrated focus was placed on evaluating and rewarding performance. **43% of all global people managers attended these sessions.**

#### Axalta’s BetterUp Coaching Program

Axalta’s BetterUp Coaching Program is a six-month development program focused on accelerating the development of top talent. Throughout 2023-2024, 210 participants received unlimited one-on-one coaching, 360-degree feedback, and full access to specialty coaches and online resources.

**By investing in individual career paths and offering robust internal development opportunities, we can strengthen employee retention and foster the growth of our global workforce.**

#### Fast Track

Over the past few years, Axalta has improved our early-career offering by launching Axalta’s Fast Track entry-level rotational program, in an effort to build a strong talent pipeline while allowing early-career hires to explore various roles and opportunities. The Fast Track Early Career Programs are offered to interns and full-time hires. **In 2024, Axalta had 30 interns participate in the U.S. internship and 13 full-time hires join the new-hire rotational program.** Currently, Axalta provides rotational field engineering and Mobility business programs, plus select global apprenticeships.

#### Tuition Reimbursement

In addition to the leadership and development programs we offer internally, Axalta provides tuition reimbursement benefits to support employees who wish to expand their skills beyond the training provided in the workplace.

## Employee Engagement

Axalta is consistently re-evaluating how we can best support our employees and create a safe, productive, and inclusive working environment. To do so, we rely on our employees’ perspectives and feedback, which we garner through direct engagement and open feedback forums. Axalta conducts an employee engagement survey annually to better understand our employees’ experience and identify areas for improvement. Since launching the survey in 2021, we have seen a consistent increase in participation each year. **In 2024, 96% of employees completed the Engagement Survey**, marking our highest participation rate to date and a 4% increase from 2023 and 9% increase from 2022. On an ongoing basis, we strive to conduct our employee engagement survey annually and achieve at least a 90% participation rate and an increase in employee confidence that action will be taken based on feedback provided via the survey.

In previous years, we established the engagement survey and increased participation. Having steadily increased participation, we shifted our focus to action planning with insights gathered through the survey. We leverage employee insights to prompt strategic changes that align with our employees’ needs. We use these insights to inform where we invest our resources to benefit our people and employ an effective strategy. Additionally, we track the changes to outcomes year-over-year to assess the efficacy of our current programs and initiatives. In 2024, our efforts centered on strengthening communication from the executive leadership team and advancing engagement and development within the senior leadership team (SLT).

### GOAL

Conduct an

## EMPLOYEE ENGAGEMENT SURVEY

annually and achieve participation rates and employee confidence in company follow-up actions greater than the survey provider’s benchmark.

### GOAL

## ESTABLISH, TRACK, AND IMPROVE

upon a favorable Inclusion Index.



## Employee Benefits & Wellbeing

We value our employees, and we are committed to providing competitive compensation and benefits to promote our employees’ wellness and reward their performance. Axalta employees are eligible for various health, wellness, and retirement benefits depending on their region.

Axalta provides all employees with access to occupational, medical, and healthcare services through our global Healthcare Services (HCS) department, which is staffed by dedicated doctors, nurses, and health administrators. This team provides continuous workplace health monitoring and medical evaluations

to promote employee well-being. In addition, HCS offers guidance for facility risk assessments, leads global ergonomic initiatives, and works with Human Resources and site management to support employees through return-to-work programs.

Axalta is committed to providing benefits that serve our employees, so we rely on employee feedback and engagement to identify what is most pertinent to our employees and continuously improve our benefits offerings. In response to employee feedback, Axalta recently enhanced our parental leave policy across the U.S. to better support employees in balancing their responsibilities.

# Community Engagement

**At Axalta, our commitment to creating a positive impact extends beyond our business operations to the communities where we live and work.**

Throughout all our operations, we strive to be a responsible corporate citizen and trusted neighbor by upholding the highest standards of environmental, health, and safety practices, while also actively engaging with our community.

Our community engagement strategy is guided by our **Bright Futures** program and its two key pillars **STEM and Vocational Education** and **Community Support**.

Guided by these pillars and our core values, Axalta remains committed to strengthening the communities in which we operate by actively supporting them through volunteering, charitable giving, and educational initiatives. We are proud of these efforts and their impact on empowering people, protecting the environment, and inspiring the next generation of innovators.



Team members from our Global HQ & Innovation Center in Philadelphia, PA and our Glen Mills, PA site came together for teamwork, belonging and celebration – lending a hand in the fight against food insecurity.



Our team joined forces in Sierra de Guadalupe to plant trees for a sustainable future.

## Education and STEM Initiatives

### Axalta Bright Futures Scholarship

Donated over \$200,000 between 2023 and 2024 for the Axalta Bright Futures Scholarship, which is for students seeking degrees in color science or related programs in chemistry, chemical engineering, or supply chain management with Scholarship America.

### STEM and Science Centers

Axalta's Mobility business sponsored the development of STEM and science centers to foster innovation and hands-on learning opportunities for students.

## Community Support

### Operation Good Cheer

The Mount Clemens, Michigan facility has annually supported Operation Good Cheer, an initiative to donate and transport holiday gifts to children in foster care programs in Michigan, for more than 32 years.

### Gleaners Community Food Bank Partnership

Employees packed over 15,000 pounds of food in 2024-2025, helping to address food insecurity in local communities around our Mt. Clemens, Michigan facility.

### Environmental Stewardship

More than 100 employees and their families in Mexico participated in a reforestation event in Sierra de Guadalupe, planting trees to help restore local ecosystems.

### Disaster Relief

In 2023 and 2024, Axalta made donations to support rebuilding efforts in Spain, Turkey, and California following devastating floods and wildfires.

### Youth Support

In Mexico, teams collaborated with Fundación Teletón México to provide art materials and essential items supporting children's development and creativity. In Asturias, Spain, employees partnered with the American Red Cross Spain to donate school supplies to children facing economic hardship.

# Supply Chain Management

**We depend on a global network of thousands of suppliers to deliver high-quality, reliable products and services to our customers. We expect our suppliers to uphold the highest standards of ethical conduct, environmental stewardship, quality, safety, and reliability.**

To support these expectations, we apply rigorous protocols to engage with and assess our suppliers' practices. Through these efforts, we believe we have built a resilient supply chain that consistently meets customer needs, even in the face of unexpected challenges.

We have several supplier policies that are designed to enforce best practices within our supply chain. Our policies comprehensively address potential human rights risks, taking into account the countries in which we operate, the nature of our business activities, and the suppliers with whom we partner. Axalta's Supplier Policies include: [Supplier Code of Conduct](#), [Responsible Mineral Policy](#), and [Human Rights Policy](#).

## Responsible Sourcing & Human Rights

Axalta is dedicated to responsible sourcing, which includes proactive measures to eliminate risks of human trafficking and modern slavery from our supply chain. We expect our direct suppliers of tangible goods to uphold strong human rights standards, ensuring fair treatment, dignity, and respect for all workers, and to categorically prohibit the use of forced labor or human trafficking in their operations and the operations of their suppliers. In addition to adhering to the Axalta Supplier Code of Conduct and the requirements outlined in their contracts, our suppliers are also expected to comply with global supply chain transparency regulations.

In addition to communicating our expectations, Axalta takes active due diligence measures designed to confirm our suppliers remain compliant with company and regulatory standards. Axalta is proud to have met our goal to assess 100% of key suppliers and will continue to do so. To prompt further advancements along our supply chain, we expanded our goal as we continue to strengthen due diligence and improve supplier performance.

We have built a flexible supply chain through active management that can adapt quickly to geopolitical, economic, and environmental disruptions. This agility enables us to continue delivering for our customers and providing the products they need, when they need them.

<sup>22</sup> Please see the [Supplier Monitoring](#) section of Axalta's Sustainability Report for detail on the criteria used to assess suppliers..

## Supplier Code of Conduct

Axalta holds all suppliers to the same high standards, regardless of the goods or services they provide, where they are located, or the scale of our business with them. Our [Supplier Code of Conduct](#) is at the core of these expectations, which applies across our entire global supply chain. The Supplier Code of Conduct mandates that suppliers follow ethical and sustainable practices aligned with Axalta's [Code of Business Conduct and Ethics](#) and all relevant regulations.

In 2024, Axalta reviewed and updated our Supplier Code of Conduct to better align with our Company's expectations and global regulations. Further, we implemented an interactive supplier database that requires all suppliers to review the updated Supplier Code of Conduct and acknowledge their intent to meet its expectations. We also launched an internal Supplier Code of Conduct training to help our employees fully understand and implement these standards as they conduct business with our partners.

Per the Supplier Code of Conduct, Axalta prohibits modern slavery at any point in the supply chain. If an issue is reported, Axalta will thoroughly investigate the problem and take all steps necessary to remediate the concern and mitigate future issues.

### GOAL

Assess at least

**90% OF ALL SUPPLIERS**

against a robust set of sustainability criteria and expand direct supplier engagement on sustainability matters<sup>22</sup>

## Supplier Risk Management

Supply Chain oversight is essential to Axalta’s sustainability strategy, enabling us to manage risk, promote responsible sourcing, protect human rights, and minimize environmental impact. The resilience of our supply chain is critical to our success, and as such, we have employed several initiatives and policies designed to improve our supplier risk management in recent years. These policies, initiatives, and performance standards aim to identify, address, and reduce risks tied to supply continuity, product quality, workplace safety, and human rights. Axalta completes thorough due diligence when onboarding a new supplier and on an ongoing basis thereafter to ensure suppliers are fit to meet our standards and do not pose material risks.

### Supplier Due Diligence and Onboarding

Before engaging with a new supplier, we require that they complete our Initial Commercial Assessment (ICA) questionnaire. The ICA is a detailed questionnaire, designed to evaluate supplier performance and identify potential risks across sustainability areas, including health and safety, product quality and logistics, and financial and procurement practices. As part of this process, suppliers must attest to compliance with our Supplier Code of Conduct. We regularly review and enhance the ICA to reflect evolving business priorities. As part of this review, in 2024, the ICA was amended to include subsequent improvements and expand to additional categories.

### Supplier Monitoring

Once onboarded, suppliers are periodically assessed against sustainability criteria. Axalta has implemented a comprehensive supplier platform to help assess risks, monitor global and regional regulatory and sustainability requirements, and enhance data visibility. Suppliers complete a self-assessment through this platform covering human rights and labor, environmental protection, anti-bribery and anti-corruption, health and safety, supply chain responsibility, and quality management. We are proud to have established baseline data for 100% of our active supplier database encompassing over 10,000 suppliers.

In addition, Axalta has implemented the S&P RiskGauge to evaluate and mitigate supplier financial risk, further enhancing our ability to proactively address potential vulnerabilities.

**In 2024, over 10,000 suppliers were evaluated using a sustainability risk assessment platform.**

### Collaboration and Improvement

Drawing on insights from our supplier onboarding and monitoring processes, we initiate additional assessments or actions to drive improvement where needed. When potential concerns are identified, Axalta conducts thorough investigations and takes appropriate steps, which may include third-party audits, the development of corrective action plans, or, in severe cases, suspending or terminating purchases.

We may also conduct targeted risk assessments of suppliers based on spending, industry profile, and country risk. Beyond risk management, we actively seek collaboration with suppliers to develop more sustainable products. As customer demand for sustainable solutions grows, these partnerships are critical to advancing innovation and incorporating more sustainable inputs into our products.

### Supply Chain Governance and Transparency

To establish greater consistency across our global operations and align with sustainability standards and relevant regulations, we updated our Responsible Sourcing Policy to reflect enhanced commitments on sustainability, anti-bribery, and human rights. The revised policy provides clear, unified standards to promote best practices and safeguard against procurement risks across all material sourcing.

Beyond meeting Axalta’s expectations, our suppliers must comply with applicable global supply chain transparency laws. As a company, we are subject to various such regulations, including the California Transparency in Supply Chains Act, the Australian Commonwealth Modern Slavery Act, the United Kingdom Modern Slavery Act, the Norwegian Transparency Act, the German Supply Chain Act, and the French Corporate Duty of Vigilance Law. To support compliance with these regulations, we have developed a [Global Supply Chain Transparency Report](#) that outlines our approach and practices.



## Human Rights

Axalta is dedicated to upholding human rights across every part of our business, from our internal operations and relationships with partners to the communities we serve and the global supply chain that supports us. We place a high value on people, protecting their dignity and fundamental rights. In addition to our commitments included in our Code of Business Conduct and Ethics and our Supplier Code of Conduct, our [Human Rights Policy](#) reflects our standards and responsibilities related to human rights. These standards were established to communicate Axalta's expectations regarding respecting and protecting human rights to employees, directors, and business partners, including suppliers.

In shaping our human rights approach across our operations and supply chain, Axalta relies on the UN Guiding Principles Reporting Framework to inform our disclosures. We are committed to continuously strengthening our programs and staying attentive to emerging issues.

Responsibility for respecting and upholding human rights rests with Axalta's management, supported globally by our Procurement, Human Resources, Legal and Compliance, Operations, and Sustainability teams. Our Board of Directors provides oversight through the EHS&S Committee.

**Our policies are aligned with recognized international frameworks and guidelines, including but not limited to the following:**

UN Global Compact

The UN Universal Declaration of Human Rights

The Global Sullivan Principles

The ILO Declaration on Fundamental Principles and Rights at Work

The OECD Guidelines for Multinational Enterprises



## Sourcing Responsible Minerals and Materials

We proactively collaborate with our suppliers to identify, assess, and mitigate potential risks across our supply chain. As is common in our industry, certain raw materials essential to our coatings, such as tin, mica, and cobalt, are associated with complex human rights challenges in their extraction, smelting, refining, and processing.

These minerals are critical to the performance and quality of our products, providing both functionality and vibrant color. Recognizing their importance, we place a strong emphasis on responsible sourcing practices. Although Axalta does not procure directly from smelters, we maintain close engagement with our suppliers to foster transparency and accountability throughout the mineral supply chain.

To strengthen these efforts, Axalta is an active member of the Responsible Minerals Initiative (RMI), a leading industry platform focused on responsible mineral sourcing. Through RMI, we collaborate with automotive customers and global manufacturers across industries to encourage responsible sourcing practices, particularly in conflict-affected and high-risk regions.

Axalta has recently expanded our Responsible Minerals due diligence by integrating it into procurement due diligence. Our Supplier Code of Conduct incorporates specific directives related to Responsible Minerals. We remain committed to proactive and thorough due diligence around mineral sourcing.

### Conflict Minerals

Axalta manages our use of conflict minerals (tin, tantalum, tungsten, and gold) under our [Responsible Minerals Policy](#). This policy requires that suppliers source all raw materials exclusively from conflict-free origins. These expectations are built into our standard supplier terms and conditions and reinforced through the Supplier Code of Conduct.

Our conflict minerals due diligence process follows the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. As part of our reasonable country-of-origin determination, Axalta leverages the Responsible Minerals Initiative's Conflict Minerals Reporting Template to survey suppliers and collect information on the smelters and refiners in our supply chain.

### Mica Sourcing

Pearlescent pigments, which Axalta and other coatings companies use to create special finishes in specific vehicle coatings, can require natural mica. This material has been linked to child labor in parts of India, Madagascar, and other regions. In line with the Axalta Supplier Code of Conduct, we require our suppliers to responsibly source mica and other minerals, prohibiting materials mined under conditions involving child labor, forced labor, prison labor, or other human rights violations.

To address concerns within the mica supply chain, Axalta has taken a transparent and proactive approach with suppliers and customers. We maintain direct dialogue with our pigment suppliers, conduct ongoing due diligence, and provide guidance and support to help reach compliance with our standards. Additionally, Axalta participates in the mica working group of the Responsible Minerals Initiative, a leading cross-industry platform dedicated to advancing responsible mineral sourcing practices across global supply chains.

### Cobalt Sourcing

Axalta sources limited amounts of cobalt-containing raw materials, such as certain pigments, driers, and catalysts. To remain aligned with industry best practices and strengthen oversight, we actively engage in the Responsible Minerals Initiative's cobalt-focused working groups, which advance tools and frameworks for supply chain due diligence.

Since we began voluntary cobalt reporting in 2018, Axalta has consistently participated in these efforts. Each year, we survey our suppliers of cobalt-containing materials using the Responsible Mineral Initiative's Extended Minerals Reporting Template (EMRT) to evaluate their responsible sourcing commitments, review related policies, and map the smelters and refiners within their supply chains. We closely monitor for potential risks in our cobalt sourcing practices and provide transparent updates to customers regarding our findings and actions.



AXALTA SUSTAINABILITY REPORT 2023-2024

# Governance



# Governance

**At Axalta, our strong governance practices underpin our sustainability strategy and support the long-term success of our business.**

Our governance framework promotes accountability, transparency, and oversight while building stakeholder trust. We are dedicated to responsible and effective governance and risk management through our Executive Committee and Board of Directors.

## Board of Directors

Our Board of Directors, comprised of nine members with extensive expertise and experience, provides independent oversight of our management. This oversight is crucial for shaping our business strategy and managing risk. For a more detailed overview of our Board members, please see the [Board of Directors section](#) of our website. Our Executive Committee, led by our CEO, is responsible for executing our business strategy and positioning Axalta as an industry leader through Axalta’s expertise and performance. We currently have separate CEO and Board Chair roles, with an independent director serving as Board Chair. Additionally, each director serves a one-year term, with their positions going up for reelection by our shareholders annually. The Board includes four standing committees, all consisting of independent directors, that oversee matters within their respective areas of expertise.

The Board of Directors and its standing committees meet regularly, and, from time to time, meet to oversee and discuss sustainability matters, with each committee focusing on specific sustainability-related topics that fall within its respective areas of responsibility. This allows the Board to collectively prioritize the integration of material sustainability topics into our business strategy and risk management, with a focus on the items that are most impactful to long-term value creation. The Board’s collective expertise provides informed oversight to lead Axalta in creating long-term value for our stakeholders while maintaining sustainable operations.

The charters for each of our Board Committees are available on the Board Committees section of our website. For more information on Axalta’s Board of Directors and our governance practices, please see our [2025 Proxy Statement](#).

## Board Committees



### Audit Committee

Provides compliance and risk management oversight, including the company-wide ERM process and cybersecurity.



### Compensation Committee

Responsible for oversight of executive and employee compensation and broader human capital management matters.



### Nominating and Corporate Governance Committee

Oversees Axalta’s corporate governance practices, including board composition and effectiveness, and reviews and updates our governance policies and procedures.



### Environment, Health, Safety, and Sustainability (EHS&S) Committee

Responsible for oversight and review of the Company’s policies, practices, and performance related to environmental, health, safety, and sustainability and quality matters.

## Risk Management & Oversight

**At Axalta, we recognize that risk management is crucial to our governance framework and long-term value creation.**

Our risk management and oversight process is designed to identify, assess, and mitigate potential risks that could impact our business, stakeholders, and the environment. Effective risk management supports strategic alignment, proactive risk mitigation, and the creation of long-term value.

Our risk management process involves employees at all levels, led by an Enterprise Risk Management (ERM) team. The ERM team works to identify and assess potential risks using tools and techniques, including an annual ERM survey of over 90 leaders. The survey results are analyzed to inform action items to mitigate risks. The ERM survey also captures feedback on our Code of Business Conduct and Ethics, informing updates to ensure our practices align with our ethical principles and values.

Our Board of Directors oversees our risk management processes which are reviewed annually by both the Audit Committee and the full Board. We also have a Crisis Management Protocol to prepare for and respond to potential crises, which includes site, business unit, and corporate crisis management teams. We conduct crisis preparedness exercises from time to time to ensure that we can respond effectively during a crisis.

By managing risks, we can minimize negative impacts and maximize opportunities for growth and success. We will continue to monitor and update our governance practices and risk management approach as needed to ensure effectiveness and alignment with our business strategy and stakeholder expectations. For more information on Axalta's business risks, see the Risk Factors section of our [Annual Report](#).



## Ethics, Integrity & Compliance

**At Axalta, trust is one of our most important assets. We earn trust by doing the right thing, operating with integrity, and upholding the highest ethical standards in every aspect of our business.**

The Axalta Code of Business Conduct and Ethics (the “Code”), which was updated in September 2023, is the foundation for our ethical conduct and guides our actions and decisions. The Code, approved by our Board of Directors and overseen by the Audit Committee, applies to all employees, directors, and global partners. It outlines our expectations across topics such as compliance, conflicts of interest, information management, and acting with integrity.

Our commitment to trust and integrity has been unwavering for over 150 years. We empower our people to make the right choices for our colleagues, customers, and communities. In a constantly changing world, our core values and principles, embodied in the Code and our policies, remain steadfast. They guide us through complex laws and regulations, ensuring we always act ethically.

In addition to the Code, we have company policies that guide our behaviors, including policies regarding anti-corruption, competition law compliance, gifts and business entertainment, insider trading, whistleblower protection, and non-retaliation.

To ensure that all employees comply with the Code and supporting policies, we require participation in our quarterly and annual global compliance training program.

### Highlights of the program include:

- Annual training on the Code of Business Conduct and Ethics, **which was completed by 99% of our employees in 2024.**
- Raising awareness through Compliance Week, an annual event hosting training sessions to strengthen employee awareness and understanding of the Code.
- Ongoing strategic messaging throughout the year to reinforce Axalta’s commitment to ethics and compliance.

### GOAL

Train

**100%** OF ACTIVE GLOBAL EMPLOYEES

on the Axalta Code of Business Conduct and Ethics annually.

## Grievance Mechanisms

We are committed to fostering an environment where employees feel comfortable reporting concerns or issues. Except where prohibited by law, any employee who becomes aware of a violation of the Code, any Axalta policy, or the law is expected to report the violation immediately to one of multiple platforms. The same channels are available for an employee looking for guidance on how to comply with the Code or applicable law. Our primary platform is [Axalta's Ethics Helpline](#), available to all internal and external stakeholders, detailed at [www.axalta.com/helpline](http://www.axalta.com/helpline). Axalta's Ethics Hotline accepts reports through website, phone, or text, where you can report anonymously if you prefer. Additional channels include Regional Compliance Officers, members of Axalta's Legal department, local Human Resources, or the Chief Compliance Officer. We take all reports seriously and have established procedures in place for the receipt, investigation, and resolution of all reports made. We do not tolerate retaliation against employees who report concerns in good faith.

## Product Stewardship

As a coatings manufacturer, we understand that some materials used in our industry may present harm to people or the environment if not handled properly. We aim to manage these potential hazards responsibly and safely in our operations, adhere to regulations, and communicate known risks across our value chain. Our product stewardship team and regulatory compliance management system identify, monitor, and mitigate potential risks associated with our products throughout their lifecycle, including manufacturing, use, and disposal. We proactively monitor global regulations and develop products to meet our customers' needs, including that our products align with new regulatory guidance and industry best practices.

Our product stewardship team collaborates across our business to address risks throughout the product lifecycle - from R&D to sourcing, manufacturing, and customer communications, including Safety Data Sheets (SDSs) - to help ensure that customers have the information they need to use our products safely and to comply with relevant regulations. For example, by using a robust global system to provide

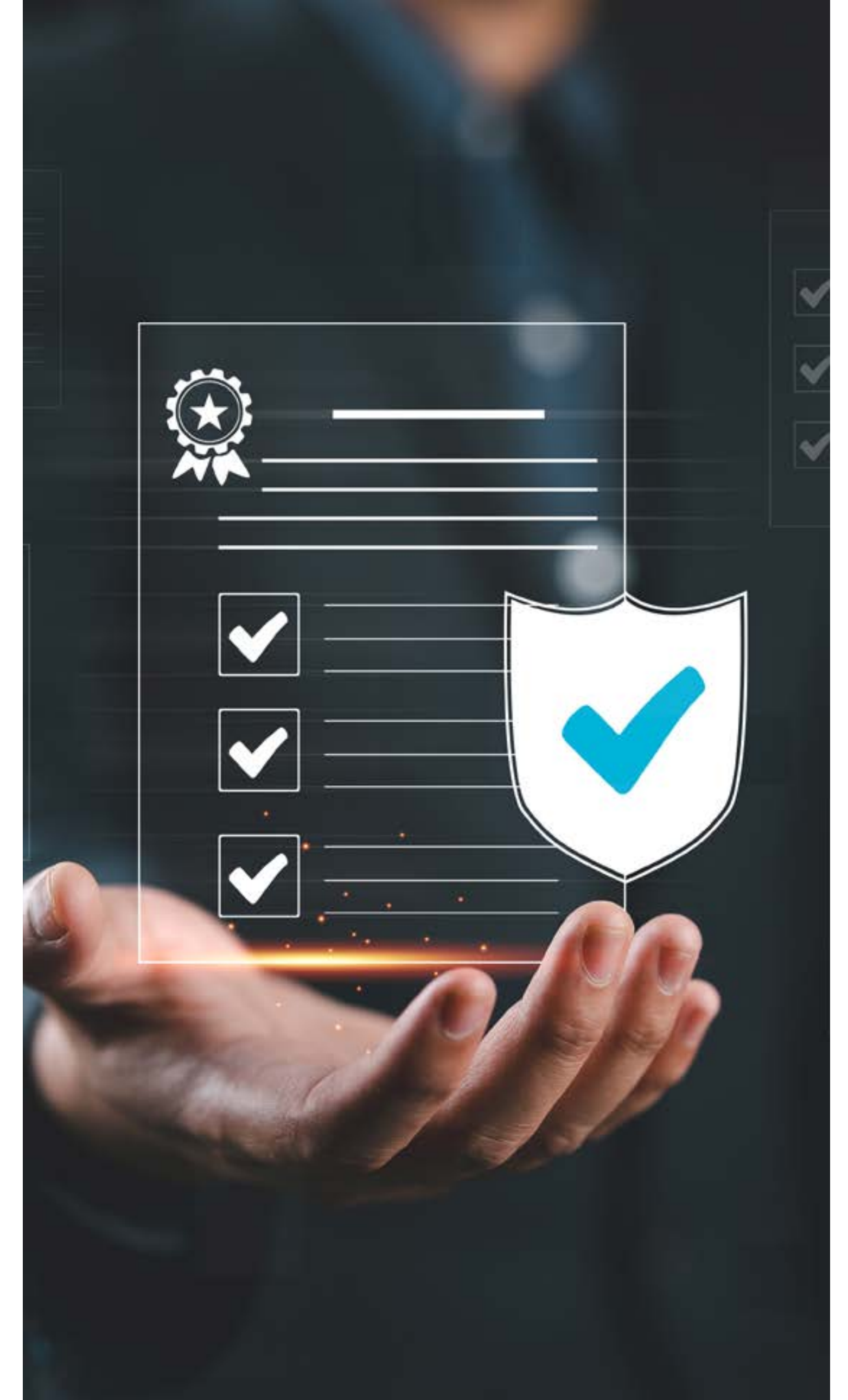
accurate and compliant information, our team strives to ensure that all health and safety raw materials considerations are used in the preparation of SDSs and product labels. Our product stewardship program leverages software and automation to help ensure that all available data related to the health and safety of products and raw materials is communicated to our customers.

## Trade Compliance

As a company with global operations, customers, and suppliers, maintaining compliance with international trade regulations is crucial for our business. Our Global Trade Compliance team includes regional experts who monitor and manage trade regulations relevant to our operations across geographies. This team works collaboratively with Technology, Product Stewardship, and our businesses to ensure that we meet all regulatory requirements and proactively adapt to evolving standards.

## Global Trade Compliance Policy

Our Global Trade Compliance Policy guides our daily actions, supports employee training, and ensures compliance with both existing and emerging regulations. This policy is a cornerstone of our broader trade compliance program. We regularly review, audit, and update associated policies and procedures to ensure they remain effective and aligned with the dynamic global regulatory landscape.



# Cybersecurity

**Information technology systems are essential to our operations, making cybersecurity policies, standards, and practices a critical part of our ERM strategy.**

We employ a multilayered approach to preventing, detecting, and responding to cyber threats, including implementing controls, monitoring risks, and enhancing recovery capabilities. Our information security management system and related policies leverage best practices from the ISO 27001 framework.

Cybersecurity oversight is the responsibility of the Board’s Audit Committee. Our Senior Global Director of Information Security & Compliance (GDISC) oversees our cybersecurity risk controls and reports to our Chief Information Officer (CIO). The management team provides updates to the Audit Committee on IT and cybersecurity strategy, performance, and emerging risks. The full Board receives a review of cybersecurity matters at least annually to ensure alignment at the highest level of governance.

Our IT team deploys tools and technologies designed to secure intellectual property and sensitive data. They also work to protect against external threats and implement and maintain our cybersecurity policies. We engage third-party assessors, consultants, and auditors to independently evaluate our control environment and operating effectiveness to inform our continuous improvement.

Employee awareness and training are critical to our cybersecurity program. Axalta conducts data security training for its employees on an ongoing basis. New employees complete cybersecurity and anti-phishing training. All employees participate in regular phishing exercises, and those who do not pass these exercises must complete additional cybersecurity training.

As we continue to advance our use of available tools and automate processes throughout our business, we have increased the use of artificial intelligence (AI). Additional risks associated with the use of AI are addressed in our cybersecurity and ERM strategies.

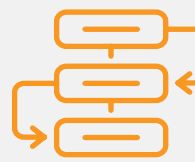
**Axalta is integrating AI efficiencies across information systems and operations:**



Better tools



Digitalization



Data Management



Real-time Information



# Stakeholder Engagement

## Industry Engagement

As a leading global coatings manufacturer, Axalta collaborates with industry partners, suppliers, and customers to drive innovation and advance sustainability. We actively participate in several international industry associations to share best practices and address complex industry issues.

Axalta is a member of the American Coatings Association (ACA), advocating for the coatings industry on legislative issues and providing forums for advancing and promoting coatings science. Axalta is also active in the American Chemistry Council’s Responsible Care® program, which focuses on environmental, health, safety, and security performance initiatives across the chemicals industry. For more information on our participation in the ACC’s Responsible Care® program, please see the [Employee Health & Safety sub-section](#) of this report.

We are members of national and regional coatings associations in several of the countries where we operate, including:

- American Coatings Association (ACA)
- American Chemistry Council (ACC)
- Canadian Paint and Coatings Association (CPCA)
- European Council of the Paint, Printing Ink and Artists’ Colors Industry (CEPE)
- Association of the German Paint and Printing Ink Industry (VdL)
- China National Coatings Industry Association (CNCIA)
- Australian Paint Manufacturers’ Federation (APMF)
- British Coatings Federation (BCF)
- Paint Manufacturers’ Association in Turkey (BOSAD)
- Mexican Paint and Printing Ink Manufacturers’ Association (ANAFAPYT)

Many of these associations are part of the World Coatings Council, which fosters global collaboration on training, education, and forward-looking initiatives such as sustainability and innovation.

In addition to coatings industry associations, we participate in automotive industry associations such as the Automotive Industry Action Group (AIAG) and the Original Equipment Supplier Association (OESA). Participation in these initiatives supports our sustainability efforts across the value chain.

We also collaborate with customers and suppliers through the Responsible Minerals Initiative (RMI), which promotes responsible sourcing and safeguards human rights within the minerals supply chain. Through our involvement in the RMI, we work alongside automotive customers and global manufacturers using tools and resources to make responsible sourcing decisions, with a focus on regions affected by conflict and other high-risk areas.

## Government Affairs

Axalta is committed to advancing sustainability and innovation in the coatings industry through advocacy work with our industry associations. Our involvement in the American Chemistry Council’s Responsible Care® program allows some manufacturing sites to participate in community advisory panels, where local officials, emergency responders, and community members can ask questions and discuss concerns.

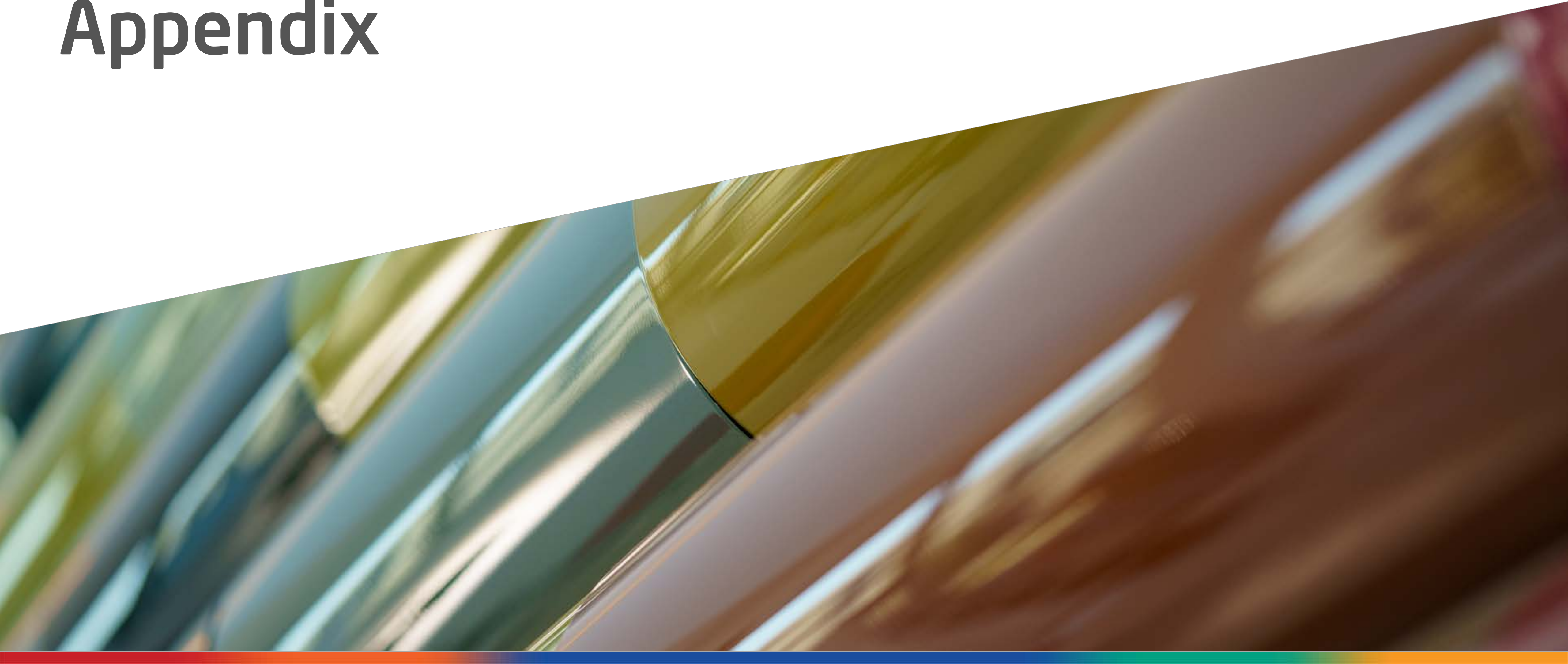
Axalta does not make any political contributions in the United States or use corporate funds for lobbying. We also do not have a political action committee (PAC). Our government affairs efforts focus on building relationships with key legislators and regulators at the local, state, and federal levels and advocating for priority issues through our industry associations, rather than using monetary contributions.





AXALTA SUSTAINABILITY REPORT 2023-2024

# Appendix



# Appendix

## Performance Data

| Environmental            |                                   |                                                            |                             |       |
|--------------------------|-----------------------------------|------------------------------------------------------------|-----------------------------|-------|
|                          | Metric                            | Unit                                                       | 2023                        | 2024  |
| General                  | Facilities Included in Metrics    | Number                                                     | 47                          | 46    |
| Energy                   | Total Energy Use                  | Millions of gigajoules                                     | 2.1                         | 2.2   |
|                          | Direct <sup>23</sup>              | Millions of gigajoules                                     | 1.2                         | 1.2   |
|                          | Indirect <sup>23</sup>            | Millions of gigajoules                                     | 0.9                         | 0.9   |
|                          | Energy Intensity                  | Gigajoules per metric ton of production                    | 3.9                         | 3.9   |
|                          | Grid Electricity                  | Percentage (%)                                             | Not available <sup>30</sup> | 96.7% |
|                          | Renewable Energy Consumption      | Percentage (%)                                             | Not available <sup>30</sup> | 3.3%  |
| Greenhouse Gas Emissions | Total Scope 1 and 2 <sup>24</sup> | Thousand metric tons CO <sub>2</sub> e                     | 154.7                       | 155.6 |
|                          | Total Scope 1                     | Thousand metric tons CO <sub>2</sub> e                     | 62.3                        | 65.9  |
|                          | Total Scope 2 (Location-based)    | Thousand metric tons CO <sub>2</sub> e                     | 92.4                        | 89.6  |
|                          | GHG Intensity                     | Metric tons CO <sub>2</sub> e per metric ton of production | 0.28                        | 0.28  |
| Air Emissions            | VOC Emissions <sup>25</sup>       | Metric tons                                                | 358.7                       | 348.0 |
|                          | HAP Emissions <sup>26</sup>       | Metric tons                                                | 27.7                        | 22.6  |
|                          | NOx Emissions                     | Metric tons                                                | 57.0                        | 29.7  |
|                          | SOx Emissions                     | Metric tons                                                | 3.3                         | 1.5   |
|                          | PM Emissions                      | Metric tons                                                | 34.2                        | 10.5  |

|                      | Metric                                                                                        | Unit                                            | 2023                        | 2024    |
|----------------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------|---------|
| <b>Air Emissions</b> | VOC Emissions <sup>25</sup> Intensity                                                         | Metric tons per 1,000 metric tons of production | 0.66                        | 0.62    |
|                      | HAP Emissions <sup>26</sup> Intensity                                                         | Metric tons per 1,000 metric tons of production | 0.05                        | 0.04    |
|                      | NOx Emissions Intensity                                                                       | Metric tons per 1,000 metric tons of production | 0.10                        | 0.05    |
|                      | SOx Emissions Intensity                                                                       | Metric tons per 1,000 metric tons of production | 0                           | 0       |
|                      | PM Emissions Intensity                                                                        | Metric tons per 1,000 metric tons of production | 0.06                        | 0.02    |
| <b>Water</b>         | Total Water Withdrawal <sup>27</sup>                                                          | Megaliters                                      | 1,293                       | 1,402   |
|                      | Total Water Consumption                                                                       | Cubic meters                                    | 577,327                     | 571,769 |
|                      | Water Consumption Intensity <sup>28</sup>                                                     | Cubic meters per metric ton of production       | 1.06                        | 1.02    |
|                      | Sites in Water Stressed Regions <sup>29</sup>                                                 | Percentage (%)                                  | 31.90%                      | 37.00%  |
|                      | Total Water Withdrawal From All Areas with Water Stress                                       | Megaliters                                      | Not available <sup>30</sup> | 199.5   |
|                      | Water Withdrawn in Regions with High or Extremely High Baseline Water Stress                  | Percentage (%)                                  | Not available <sup>30</sup> | 14.23%  |
|                      | Total Water Consumption From All Areas with Water Stress                                      | Megaliters                                      | Not available <sup>30</sup> | 37.6    |
|                      | Water Consumed in Regions with High or Extremely High Baseline Water Stress                   | Percentage (%)                                  | Not available <sup>30</sup> | 6.58%   |
|                      | Total Water Discharge                                                                         | Megaliters                                      | 715                         | 834     |
|                      | Incidents of non-compliance associated with water quality permits, standards, and regulations | Number                                          | 0                           | 0       |
| <b>Waste</b>         | Total waste                                                                                   | Metric tons                                     | 44,000                      | 54,000  |
|                      | Hazardous waste                                                                               | Metric tons                                     | 25,000                      | 35,000  |
|                      | Non-hazardous waste                                                                           | Metric tons                                     | 19,000                      | 19,000  |
|                      | Hazardous waste recycled                                                                      | Percentage (%)                                  | Not available <sup>30</sup> | 48%     |
|                      | Waste Intensity                                                                               | Metric tons per metric ton of production        | 0.08                        | 0.10    |

**Footnotes:**

<sup>23</sup> Energy use includes on-site fuel combustion and purchased electricity, calculated using standard energy conversion factors to ensure consistency across all facilities.

<sup>24</sup> Environmental data, including Scope 1 and 2 emissions disclosures measures 46 of 47 manufacturing and R&D locations in 2024. Facility counts may differ as some technology centers are co-located with manufacturing facilities and shifts in building portfolios.

<sup>25</sup> VOC emissions determined globally per the definition used by the U.S. Environmental Protection Agency.

<sup>26</sup> HAP emissions are representative of United States only.

<sup>27</sup> Due to rounding, total values may not always match the sum of the parts.

<sup>28</sup> Water intensity is specific to consumption.

<sup>29</sup> Water stressed regions as defined by SASB.

<sup>30</sup> Due to previous data reporting methodology, this data is not available for 2023.

| <b>Social</b>                              |                                                              |                |             |             |  |
|--------------------------------------------|--------------------------------------------------------------|----------------|-------------|-------------|--|
|                                            | <b>Metric</b>                                                | <b>Unit</b>    | <b>2023</b> | <b>2024</b> |  |
| <b>Workforce Composition<sup>33</sup></b>  | <b>Total Employees<sup>31</sup></b>                          | Number         | ~12,200     | ~12,800     |  |
|                                            | Female <sup>32</sup>                                         | Number         | ~2,500      | ~2,600      |  |
|                                            | Male <sup>32</sup>                                           | Number         | ~9,700      | ~10,200     |  |
|                                            | Under 30 years old                                           | Number         | ~1,500      | ~1,700      |  |
|                                            | Between 30-50 years old                                      | Number         | ~6,800      | ~7,100      |  |
|                                            | Over 50 years old                                            | Number         | ~3,900      | ~4,000      |  |
|                                            | Global Workforce Covered by Collective Bargaining Agreements | Percentage (%) | 33          | 33          |  |
| <b>Management Composition<sup>33</sup></b> | Female <sup>32</sup>                                         | Percentage (%) | 24          | 24          |  |
|                                            | Under-represented Racial/ethnic Groups in US & Canada        | Percentage (%) | 18          | 17          |  |
| <b>Board Composition<sup>33</sup></b>      | <b>Total Board Members</b>                                   | Number         | 9           | 9           |  |
|                                            | Female <sup>32</sup>                                         | Percentage (%) | 33%         | 33%         |  |
|                                            | Male <sup>32</sup>                                           | Percentage (%) | 67%         | 67%         |  |
|                                            | Under 30 Years Old                                           | Percentage (%) | 0%          | 0%          |  |
|                                            | Between 30-50 Years Old                                      | Percentage (%) | 0%          | 0%          |  |
|                                            | Underrepresented Racial/ethnic Groups                        | Percentage (%) | 33%         | 33%         |  |
|                                            | Non-Underrepresented Racial/ethnic Groups                    | Percentage (%) | 67%         | 67%         |  |

|                 | Metric                                              | Unit                                                              | 2023                        | 2024       |
|-----------------|-----------------------------------------------------|-------------------------------------------------------------------|-----------------------------|------------|
| Health & Safety | Total Recordable Incident rate (TRIR) <sup>34</sup> | # of incidents per 200,000 hours worked / total # of hours worked | 0.35                        | 0.29       |
|                 | Employees                                           | # of incidents per 200,000 hours worked / total # of hours worked | 0.37                        | 0.30       |
|                 | Contractors                                         | # of incidents per 200,000 hours worked / total # of hours worked | 0.27                        | 0.23       |
|                 | Total Lost-time incident rate (LTIR)                | # of incidents per 200,000 hours worked / total # of hours worked | 0.16                        | 0.15       |
|                 | Employees                                           | # of incidents per 200,000 hours worked / total # of hours worked | Not available <sup>36</sup> | 0.17       |
|                 | Contractors                                         | # of incidents per 200,000 hours worked / total # of hours worked | Not available <sup>36</sup> | 0.08       |
|                 | Fatalities                                          | Number                                                            | 0                           | 0          |
|                 | Fatality Rate                                       | Rate                                                              | 0.0%                        | 0.0%       |
|                 | Employees                                           | Rate                                                              | 0.0%                        | 0.00%      |
|                 | Contractors                                         | Rate                                                              | 0.0%                        | 0.00%      |
|                 | Injuries as a Result of Commuting Incidents         | Number                                                            | Not available <sup>30</sup> | 1          |
|                 | Cases of Recordable Work-Related Ill Health         | Number                                                            | Not available <sup>30</sup> | 2          |
|                 | Employees                                           | Number                                                            | 53                          | 47         |
|                 | Contractors <sup>35</sup>                           | Number                                                            | 7                           | 6          |
|                 | Total Hours Worked <sup>35</sup>                    | Hours                                                             | 33,600,000                  | 36,500,000 |
|                 | Hours worked by employees <sup>35</sup>             | Hours                                                             | 28,500,000                  | 31,400,000 |
|                 | Hours worked by contractors <sup>35</sup>           | Hours                                                             | 5,000,000                   | 5,000,000  |

|                      | Metric                                                               | Unit           | 2023                        | 2024    |
|----------------------|----------------------------------------------------------------------|----------------|-----------------------------|---------|
| Supply Chain         | Suppliers of Raw Materials Containing Conflict Minerals              | Number         | 43                          | 40      |
|                      | Associated Raw Material Suppliers CMRT <sup>37</sup> Completion Rate | Percentage (%) | 100%                        | 100%    |
| Responsible Sourcing | Suppliers assessed for environmental impacts <sup>38</sup>           | Number         | Not available <sup>39</sup> | >10,000 |

**Footnotes:**

<sup>31</sup> The total employee value represents all permanent, temporary, full-time, and part-time employees as of December 31 of the applicable year.

<sup>32</sup> Gender, race and ethnicity information is self-reported and may not fully reflect the actual number of employees within each category. Axalta recently implemented a new global HRIS system, and is working to validate various data elements. Through this process, we believe that we have more accurate metrics and data than what was utilized in prior sustainability reports or other external reporting. Accordingly, certain metrics and data in this sustainability report may differ from the corresponding metrics and data provided in prior sustainability reports or other external reporting.

<sup>33</sup> As of December 31 of the applicable year.

<sup>34</sup> Total recordable incidents based on U.S. OSHA 29 CFR 1904 and applied globally.

<sup>35</sup> Only where the transport has been organized by the organization.

<sup>36</sup> Due to previous data collection methodology, there is no breakdown between employee LTIR and contractor LTIR available for 2023 reporting year.

<sup>37</sup> Conflict Minerals Reporting Template.

<sup>38</sup> Suppliers assessed for environmental impact are measured by completion of onboarding, data validation, risk analysis and supplier self-assessment. Please see Supply Chain Management section of this report for more information.

<sup>39</sup> Due to previous data reporting methodology, this data is not available for 2023.

| <b>Governance</b>                  |                                                |             |             |             |
|------------------------------------|------------------------------------------------|-------------|-------------|-------------|
|                                    | <b>Metric</b>                                  | <b>Unit</b> | <b>2023</b> | <b>2024</b> |
| <b>General</b>                     | Countries of Operation                         | Number      | 140+        | 140+        |
|                                    | Training centers                               | Number      | 49          | 45          |
|                                    | Local laboratories                             | Number      | 25          | 25          |
|                                    | Manufacturing centers                          | Number      | 43          | 44          |
|                                    | Distributors                                   | Number      | ~4,000      | ~5,000      |
| <b>Enterprise-wide Performance</b> | Global net sales                               | Million USD | 5,184       | 5,276       |
|                                    | Free cash flow <sup>40</sup>                   | Million USD | 447         | 451         |
|                                    | <b>Net Sales by Segment</b>                    |             |             |             |
|                                    | Performance Coatings Segment                   | Million USD | 3,408       | 3,455       |
|                                    | Mobility Coatings Segment                      | Million USD | 1,776       | 1,821       |
|                                    | <b>Adjusted EBITDA by Segment<sup>40</sup></b> |             |             |             |
|                                    | Performance Coatings Segment                   | Million USD | 742         | 838         |
|                                    | Mobility Coatings Segment                      | Million USD | 209         | 278         |
|                                    | <b>Net sales by Region</b>                     |             |             |             |
|                                    | North America Region                           | Million USD | 2,038       | 2,014       |
|                                    | EMEA Region                                    | Million USD | 1,776       | 1,784       |
|                                    | Asia Pacific Region                            | Million USD | 781         | 862         |
| Latin America Region               | Million USD                                    | 589         | 616         |             |

|                                                                                                             | Metric                                                                               | Unit           | 2023   | 2024   |
|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------|--------|--------|
| <b>Ethics &amp; Compliance</b>                                                                              | <b>Training &amp; Education</b>                                                      |                |        |        |
|                                                                                                             | Internal Completion of Training on Code of Business Conduct and Ethics <sup>41</sup> | Percentage (%) | 99     | 99     |
| <b>Total Number of Critical Concerns that were communicated to the Highest Governance Body<sup>42</sup></b> | <b>Research &amp; Development</b>                                                    |                |        |        |
|                                                                                                             | Issued Patents                                                                       | Number         | ~770   | ~680   |
|                                                                                                             | Pending patents                                                                      | Number         | ~220   | ~220   |
|                                                                                                             | Trademarks                                                                           | Number         | 470+   | 520+   |
|                                                                                                             | Members of the Technology Development Team                                           | Number         | ~1,300 | ~1,300 |
|                                                                                                             | R&D Tech Centers <sup>43</sup>                                                       | Number         | 4      | 4      |

**Footnotes:**

<sup>40</sup> Non-GAAP financial metric. Refer to the Company's press release issued on February 4, 2025, which is available in the investor relations portion of its website, for more information on non-GAAP financial measures, including certain reconciliations to the most directly comparable financial measures calculated in accordance with GAAP.

<sup>41</sup> Based on training provided to active employees globally.

<sup>42</sup> Axalta technology investment includes R&D, selling technical expense (SG&A), and production & raw material technology (COGS).

<sup>43</sup> Represents Axalta's primary R&D facilities.

## Task Force on Climate-related Financial Disclosures (TCFD) Index

| Pillar                                                                                                                                                                                                         | Recommended Disclosures                                                                                                                                   | Disclosure                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|
| <b>Governance</b><br>Describe the organization’s governance around climate-related risks and opportunities.                                                                                                    | a. Describe the board’s oversight of climate-related risks and opportunities                                                                              | <a href="#">Climate Oversight</a>                       |
|                                                                                                                                                                                                                | b. Describe management’s role in assessing and managing climate-related risks and opportunities.                                                          | <a href="#">Climate Oversight</a>                       |
| <b>Strategy</b><br>Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material. | a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.                            | <a href="#">Climate-related Risks and Opportunities</a> |
|                                                                                                                                                                                                                | b. Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.                     | <a href="#">Strategy and Scenario Analysis</a>          |
| <b>Risk Management</b><br>Disclose how the organization identifies, assesses, and manages climate-related risks.                                                                                               | a. Describe the organization’s processes for identifying and assessing climate-related risks.                                                             | <a href="#">Climate-related Risks and Opportunities</a> |
|                                                                                                                                                                                                                | b. Describe the organization’s processes for managing climate-related risks.                                                                              | <a href="#">Climate-related Risks and Opportunities</a> |
|                                                                                                                                                                                                                | c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.  | <a href="#">Risk Management; Governance</a>             |
| <b>Metrics &amp; Targets</b><br>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.                                | a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process. | <a href="#">Metrics and Targets</a>                     |
|                                                                                                                                                                                                                | b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks                                            | <a href="#">Performance Data</a>                        |

## Sustainability Accounting Standards Board (SASB) Index

| Topic                                    | SASB Code    | Metric                                                                                                                                                             | Category                | Report Section                                                                                             |
|------------------------------------------|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------------------------------------------------------------------------------------------|
| <b>Chemicals Industry (RT-CH)</b>        |              |                                                                                                                                                                    |                         |                                                                                                            |
| Greenhouse Gas Emissions <sup>44</sup>   | RT-CH-110a.1 | Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations                                                                            | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Greenhouse Gas Emissions                 | RT-CH-110a.2 | Discussion of long- 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 | <a href="#">Climate Strategy; GHG Emissions &amp; Energy</a>                                               |
| Air Quality                              | RT-CH-120a.1 | Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)        | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Energy Management <sup>45</sup>          | RT-CH-130a.1 | (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable and (4) total self-generated energy                                           | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Water Management                         | RT-CH-140a.1 | (1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress                               | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Water Management                         | RT-CH-140a.2 | Number of incidents of non-compliance associated with water quality permits, standards and regulations                                                             | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Water Management                         | RT-CH-140a.3 | Description of water management risks and discussion of strategies and practices to mitigate those risks                                                           | Discussion and Analysis | <a href="#">Air, Waste &amp; Recycling</a>                                                                 |
| Hazardous Waste Management <sup>46</sup> | RT-CH-150a.1 | (1) Amount of hazardous waste generated, (2) percentage recycled                                                                                                   | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Community Relations                      | RT-CH-210a.1 | Discussion of engagement processes to manage risks and opportunities associated with community interests                                                           | Discussion and Analysis | <a href="#">Community Engagement</a>                                                                       |
| Workforce Health & Safety                | RT-CH-320a.1 | (1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees                                                | Quantitative            | <a href="#">Performance Data</a>                                                                           |
| Workforce Health & Safety                | RT-CH-320a.2 | Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks                               | Discussion and Analysis | <a href="#">Employee Health &amp; Safety</a>                                                               |
| Product Design for Use-phase Efficiency  | RT-CH-410a.1 | Revenue from products designed for use-phase resource efficiency                                                                                                   | Quantitative            | Internal efforts to aggregate revenue metrics from products designed for use-phase efficiency are ongoing. |

| Topic                                                 | SASB Code    | Metric                                                                                                                                                                                                                                                        | Category                | Report Section                                                                                    |
|-------------------------------------------------------|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------------|
| Safety & Environmental Stewardship of Chemicals       | RT-CH-410b.1 | (1) Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products that have undergone a hazard assessment | Quantitative            | <a href="#">Performance Data</a>                                                                  |
| Safety & Environmental Stewardship of Chemicals       | RT-CH-410b.2 | Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human or environmental impact                                                                                                                             | Discussion and Analysis | <a href="#">Sustainable Products Strategy</a>                                                     |
| Genetically Modified Organisms                        | RT-CH-410c.1 | Percentage of products by revenue that contain genetically modified organisms (GMOs)                                                                                                                                                                          | Quantitative            | Not applicable to Axalta. Axalta's products do not contain genetically modified organisms (GMOs). |
| Management of the Legal & Regulatory Environment      | RT-CH-530a.1 | Discussion of corporate positions related to government regulations or policy proposals that address environmental and social factors affecting the industry                                                                                                  | Discussion and Analysis | <a href="#">Industry Engagement</a> ; <a href="#">Government Affairs</a>                          |
| Operational Safety, Emergency Preparedness & Response | RT-CH-540a.1 | Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)                                                                                                                          | Quantitative            | <a href="#">Performance Data</a>                                                                  |
| Operational Safety, Emergency Preparedness & Response | RT-CH-540a.2 | Number of transport incidents                                                                                                                                                                                                                                 | Quantitative            | Internal efforts to aggregate data on transport incidents are ongoing.                            |
| Activity Metric                                       | RT-CH-000.A  | Production by Reportable Segment                                                                                                                                                                                                                              | Quantitative            | <a href="#">Performance Data</a>                                                                  |

**Footnotes:**

<sup>44</sup> Axalta currently calculates Scope 1 GHG emissions for 46 out of 47 manufacturing and R&D locations. We are continuously improving our calculation methodology and do not currently track the percentage of Scope 1 GHG emissions covered under an emissions-limiting regulation..

<sup>45</sup> Axalta does not have energy generation capabilities, and the Company consumes no self-generated energy.

<sup>46</sup> Internal efforts to aggregate hazardous waste recycling metrics are ongoing.

## Global Reporting Initiative (GRI) Index

Axalta has reported the information cited in this GRI content index for the period January 1, 2023 to December 31, 2024 with reference to the GRI Standards. GRI 1 Used: GRI 1 Foundation 2021

| GRI Code                   | Metric / Discussion Item                                                    | Report Section                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General Disclosures</b> |                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2-1                        | Organizational Details                                                      | Axalta Coating Systems (NYSE: AXTA) is a publicly held corporation headquartered in Philadelphia, PA. <a href="#">2024 Annual Report: Business p. 3</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 2-2                        | Entities included in the organization’s sustainability reporting            | <a href="#">2024 Annual Report: Properties p. 29</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 2-3                        | Reporting period, frequency and contact point                               | January 1, 2023 to December 31, 2024 unless otherwise noted. For contact information, please see the Axalta website, <a href="#">Contact Us</a> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 2-4                        | Restatements of information                                                 | Our 2019 target base year emissions calculations were revised due to recent acquisitions and the use of improved emissions factors. Reported GHG emissions reflect the most accurate data and methodologies available at the time of publication. Consistent with the GHG Protocol guidance on base-year recalculations, the Company reviews structural changes, including mergers, acquisitions, and divestitures, to determine whether updates to prior-year or baseline emissions are required. Where acquisitions materially expand the reporting boundary, historical emissions have been restated to ensure year-over-year comparability. Recalculations may occur when improved methodologies, emissions factors, or data sources become available. All adjustments have been applied consistently across reporting years. |
| 2-5                        | External assurance                                                          | Axalta does not currently seek external assurance on this report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 2-6                        | Activities, value chain and other business relationships <sup>47</sup>      | <a href="#">About Axalta</a> ; <a href="#">Axalta website: Customers</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2-7                        | Employees                                                                   | <a href="#">Performance Data</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2-8                        | Workers who are not employees                                               | <a href="#">2024 Annual Report: Human Capital Resources, p. 11</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 2-9                        | Governance structure and composition                                        | <a href="#">Governance</a> ; <a href="#">2025 Proxy Statement, p. 7, 21-23</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2-10                       | Nomination and selection of the highest governance body                     | <a href="#">2025 Proxy Statement, p. 24-25</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2-11                       | Chair of the highest governance body                                        | <a href="#">2025 Proxy Statement, p. 21</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2-12                       | Role of the highest governance body in overseeing the management of impacts | <a href="#">2025 Proxy Statement, p. 22-23</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 2-13                       | Delegation of responsibility for managing impacts                           | <a href="#">Governance</a> ; <a href="#">2025 Proxy Statement, p. 22</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2-14                       | Role of the highest governance body in sustainability reporting             | <a href="#">2025 Proxy Statement, p. 22</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2-15                       | Conflicts of interest                                                       | <a href="#">Code of Business Conduct and Ethics, p. 20</a> ; <a href="#">2025 Proxy Statement, p. 33, 47</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 2-16                       | Communication of critical concerns                                          | <a href="#">2025 Proxy Statement, p. 31-32</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

| GRI Code                                 | Metric / Discussion Item                                                        | Report Section                                                                                                                                            |
|------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2-17                                     | Collective knowledge of the highest governance body                             | <a href="#">Governance</a>                                                                                                                                |
| 2-18                                     | Evaluation of the performance of the highest governance body                    | <a href="#">2025 Proxy Statement, p. 27</a>                                                                                                               |
| 2-19                                     | Remuneration policies                                                           | <a href="#">2025 Proxy Statement, p. 27</a>                                                                                                               |
| 2-20                                     | Process to determine remuneration                                               | <a href="#">2025 Proxy Statement, p. 42</a>                                                                                                               |
| 2-21                                     | Annual total compensation ratio                                                 | <a href="#">2025 Proxy Statement, p. 42</a>                                                                                                               |
| 2-22                                     | Statement on sustainable development strategy                                   | <a href="#">Our Approach to Sustainable Operations</a>                                                                                                    |
| 2-23                                     | Policy commitments                                                              | <a href="#">Ethics, Integrity, and Compliance; Human Rights; Supplier Code of Conduct; Code of Business Conduct and Ethics</a>                            |
| 2-24                                     | Embedding policy commitments                                                    | <a href="#">Ethics, Integrity, and Compliance; Sourcing Responsible Minerals and Materials</a>                                                            |
| 2-25                                     | Processes to remediate negative impacts                                         | <a href="#">Ethics, Integrity, and Compliance; Sourcing Responsible Minerals and Materials</a>                                                            |
| 2-26                                     | Mechanisms for seeking advice and raising concerns                              | <a href="#">Ethics, Integrity, and Compliance</a>                                                                                                         |
| 2-27                                     | Compliance with laws and regulations                                            | <a href="#">2024 Annual Report: Properties p. 30</a>                                                                                                      |
| 2-28                                     | Membership associations                                                         | <a href="#">Industry Engagement; Government Affairs</a>                                                                                                   |
| 2-29                                     | Approach to stakeholder engagement                                              | <a href="#">Stakeholder Engagement</a>                                                                                                                    |
| 2-30                                     | Collective bargaining agreements                                                | <a href="#">Performance Data</a>                                                                                                                          |
| <b>Ethics, Integrity, and Compliance</b> |                                                                                 |                                                                                                                                                           |
| 3-3                                      | <b>Management of Material Topics</b>                                            | <b><a href="#">Ethics, Integrity, and Compliance; Code of Business Conduct and Ethics</a></b>                                                             |
| 205-2                                    | Communication and training about anti-corruption policies and procedures        | <a href="#">Performance Data</a> ; Policies have been communicated to 100% of employees and board members.<br><a href="#">2025 Proxy Statement, p. 10</a> |
| 205-3                                    | Confirmed incidents of corruption and actions taken                             | We did not have any material confirmed incidents.                                                                                                         |
| 206-1                                    | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | We did not have any material confirmed incidents.                                                                                                         |

| GRI Code                                       | Metric / Discussion Item                                                                      | Report Section                                                                                                                                                                                                                                                         |
|------------------------------------------------|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Environmental Impact of Operations</b>      |                                                                                               |                                                                                                                                                                                                                                                                        |
| 3-3                                            | Management of Material Topics                                                                 | <a href="#">Sustainability Strategy at Axalta; Our Approach to Sustainable Operations</a>                                                                                                                                                                              |
| 303-1                                          | Interactions with water as a shared resource                                                  | <a href="#">Air, Waste &amp; Recycling</a>                                                                                                                                                                                                                             |
| 303-2                                          | Management of water discharge-related impacts                                                 | <a href="#">Air, Waste &amp; Recycling</a>                                                                                                                                                                                                                             |
| 303-3                                          | Water withdrawal                                                                              | <a href="#">Performance Data</a>                                                                                                                                                                                                                                       |
| 303-4                                          | Water discharge                                                                               | <a href="#">Performance Data</a>                                                                                                                                                                                                                                       |
| 303-5                                          | Water Consumption                                                                             | <a href="#">Performance Data</a>                                                                                                                                                                                                                                       |
| <b>Climate Change</b>                          |                                                                                               |                                                                                                                                                                                                                                                                        |
| 3-3                                            | Management of Material Topics                                                                 | <a href="#">Climate Strategy; Performance Data; Axalta annually responds to the CDP Climate Questionnaire. See Axalta's CDP response for additional emissions information.</a>                                                                                         |
| 305-1                                          | Direct (Scope 1) GHG emissions <sup>48</sup>                                                  | <a href="#">GHG Emissions &amp; Energy; Performance Data; Axalta annually responds to the CDP Climate Questionnaire. See Axalta's CDP response for additional emissions information.</a>                                                                               |
| 305-2                                          | Energy indirect (Scope 2) GHG emissions <sup>48</sup>                                         | <a href="#">GHG Emissions &amp; Energy; Performance Data; Axalta annually responds to the CDP Climate Questionnaire. See Axalta's CDP response for additional emissions information.</a>                                                                               |
| 305-4                                          | GHG emissions intensity                                                                       | <a href="#">GHG Emissions &amp; Energy; Performance Data; Axalta annually responds to the CDP Climate Questionnaire. See Axalta's CDP response for additional emissions information.</a>                                                                               |
| 305-5                                          | Reduction of GHG emissions                                                                    | <a href="#">GHG Emissions &amp; Energy; Axalta annually responds to the CDP Climate Questionnaire. See Axalta's CDP response for additional emissions information.</a>                                                                                                 |
| 305-7                                          | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions <sup>49</sup> | <a href="#">Air, Waste &amp; Recycling; Performance Data</a>                                                                                                                                                                                                           |
| <b>Responsible Sourcing &amp; Human Rights</b> |                                                                                               |                                                                                                                                                                                                                                                                        |
| 3-3                                            | Management of Material Topics                                                                 | <a href="#">Sourcing Responsible Minerals and Materials; Supplier Code of Conduct; General Terms and Conditions for the Purchase of Goods and Services of Axalta Coating Systems Group Companies; Code of Business Conduct and Ethics; Responsible Minerals Policy</a> |
| 308-1                                          | New suppliers that were screened using environmental criteria                                 | <a href="#">Supplier Risk Management</a>                                                                                                                                                                                                                               |
| 308-2                                          | Negative environmental impacts in the supply chain and actions taken                          | <a href="#">Supplier Risk Management; Sourcing Responsible Minerals and Materials</a>                                                                                                                                                                                  |
| 408-1                                          | Operations and suppliers at significant risk for incidents of child labor                     | <a href="#">Responsible Sourcing and Human Rights</a>                                                                                                                                                                                                                  |

| GRI Code                         | Metric / Discussion Item                                                                                      | Report Section                                                                                                    |
|----------------------------------|---------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>Safety</b>                    |                                                                                                               |                                                                                                                   |
| 3-3                              | Management of Material Topics                                                                                 | <a href="#">Employee Health &amp; Safety; Environmental Health &amp; Safety Policy; 2024 Annual Report: p. 11</a> |
| 403-1                            | Occupational health and safety management system                                                              | <a href="#">Employee Health &amp; Safety; Environmental Health &amp; Safety Guiding Principles</a>                |
| 403-2                            | Hazard identification, risk assessment, and incident investigation                                            | <a href="#">Employee Health &amp; Safety</a>                                                                      |
| 403-3                            | Occupational health services                                                                                  | <a href="#">Employee Health &amp; Safety; Employee Recruitment, Development, &amp; Retention</a>                  |
| 403-4                            | Worker participation, consultation, and communication on occupational health and safety                       | <a href="#">Employee Health &amp; Safety</a>                                                                      |
| 403-5                            | Worker training on occupational health and safety                                                             | <a href="#">Employee Health &amp; Safety</a>                                                                      |
| 403-6                            | Promotion of worker health                                                                                    | <a href="#">Employee Health &amp; Safety; Employee Recruitment, Development, &amp; Retention</a>                  |
| 403-7                            | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | <a href="#">Employee Health &amp; Safety</a>                                                                      |
| 403-8                            | Workers covered by an occupational health and safety management system                                        | <a href="#">Performance Data</a>                                                                                  |
| 403-9                            | Work-related injuries                                                                                         | <a href="#">Employee Health &amp; Safety; Performance Data</a>                                                    |
| 403-10                           | Work-related ill health                                                                                       | <a href="#">Performance Data</a>                                                                                  |
| <b>Employee Engagement</b>       |                                                                                                               |                                                                                                                   |
| 3-3                              | Management of Material Topics                                                                                 | <a href="#">Employee Recruitment, Development, &amp; Retention</a>                                                |
| 404-2                            | Programs for upgrading employee skills and transition assistance programs                                     | <a href="#">Employee Recruitment, Development, &amp; Retention; Performance Data</a>                              |
| <b>Diversity &amp; Inclusion</b> |                                                                                                               |                                                                                                                   |
| 3-3                              | Management of Material Topics                                                                                 | <a href="#">Employee Recruitment, Development, &amp; Retention</a>                                                |
| 405-1                            | Diversity of governance bodies and employees                                                                  | <a href="#">Employee Recruitment, Development, &amp; Retention; Performance Data</a>                              |
| <b>Community Engagement</b>      |                                                                                                               |                                                                                                                   |
| 3-3                              | Management of Material Topics                                                                                 | <a href="#">Community Engagement; 2025 Proxy Statement, p. 35</a>                                                 |

| GRI Code                                            | Metric / Discussion Item                                                                      | Report Section                                |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>Product Sustainability &amp; Customer Impact</b> |                                                                                               |                                               |
| 3-3                                                 | Management of Material Topics                                                                 | <a href="#">Sustainable Products Strategy</a> |
| 416-2                                               | Incidents of non-compliance concerning the health and safety impacts of products and services | <a href="#">Performance Data</a>              |
| <b>Technology &amp; Innovation</b>                  |                                                                                               |                                               |
| 3-3                                                 | Management of Material Topics                                                                 | <a href="#">Sustainable Products Strategy</a> |

**Footnotes:**

<sup>47</sup> Non-guaranteed employees are not applicable to Axalta's workforce.  
<sup>48</sup> Scope 1 measures direct emissions from the use of fuel burned in Axalta's operations. Scope 2 measures indirect emissions from purchased energy used in Axalta's operations. Our Scope 1 and Scope 2 emissions disclosure currently cover 46 of 47 manufacturing and R&D locations.  
<sup>49</sup> POP emissions are not applicable to Axalta's operations.

## United Nations Sustainable Development Goal (UN SDG) Index

| UN SDG                                                    | Description                                                                                                                                                                                                                                                                                                                                                                                   | Report Section                                                                                                      |
|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>UN SDG 3: Good Health and Well-Being</b>               | Axalta is committed to safeguarding the health and well-being of our employees through rigorous workplace safety standards and wellness initiatives. We also promote healthy, vibrant communities by advancing product stewardship and engaging in local community programs.                                                                                                                  | <a href="#">Employee Health &amp; Safety;</a><br><a href="#">Community Engagement</a>                               |
| <b>UN SDG 5: Gender Equality</b>                          | At Axalta, we recognize that a workforce with diverse perspectives, experiences, and backgrounds is better equipped to innovate, adapt, and thrive in a rapidly changing global market. We aim to cultivate a wide-ranging talent base and nurture a workplace culture where differences are embraced, voices are heard, and each employee receives the support they need to thrive.          | <a href="#">Employee Recruitment, Development, &amp; Retention</a>                                                  |
| <b>UN SDG 6: Clean Water and Sanitation</b>               | Axalta prioritizes responsible water management across our operations by reducing water consumption and implementing water treatment and recycling initiatives. In doing so, we help preserve clean water in the communities where we operate.                                                                                                                                                | <a href="#">Water</a>                                                                                               |
| <b>UN SDG 7: Affordable and Clean Energy</b>              | We are reducing our environmental footprint by improving energy efficiency, adopting renewable energy where possible, and implementing energy-saving initiatives across our operations. In addition, many of our coating technologies enable customers to lower energy use in their own processes.                                                                                            | <a href="#">GHG Emissions &amp; Energy;</a><br><a href="#">Sustainable Products Strategy</a>                        |
| <b>UN SDG 8: Decent Work and Economic Growth</b>          | Axalta fosters a safe and supportive workplace by upholding strong safety standards, providing competitive compensation and benefits, and offering career development opportunities. Through these efforts, we contribute to job creation and economic growth in the communities where we operate.                                                                                            | <a href="#">Employee Health &amp; Safety;</a><br><a href="#">Employee Recruitment, Development, &amp; Retention</a> |
| <b>UN SDG 9: Industry, Innovation, and Infrastructure</b> | As a global leader in liquid and powder coatings, Axalta delivers innovative solutions that enhance performance and productivity while reducing emissions, energy use, and waste.                                                                                                                                                                                                             | <a href="#">Sustainable Products Strategy</a>                                                                       |
| <b>UN SDG 10: Reduced Inequalities</b>                    | We strive to provide equal opportunities for all employees and to foster inclusivity across our workforce. Beyond our operations, Axalta supports local communities by donating time, resources, and funding to organizations that advance equity and opportunity.                                                                                                                            | <a href="#">Employee Recruitment, Development, &amp; Retention;</a><br><a href="#">Community Engagement</a>         |
| <b>UN SDG 12: Responsible Consumption and Production</b>  | Axalta promotes resource efficiency and circularity by sourcing more sustainable materials, minimizing waste, and improving the efficiency of our production processes. In addition, many of our products are designed to help customers reduce their own environmental impacts.                                                                                                              | <a href="#">Sustainable Products Strategy</a>                                                                       |
| <b>UN SDG 13: Climate Action</b>                          | At Axalta, we recognize the important role we play in addressing the global challenge of climate change. We are committed to reducing our greenhouse gas emissions and enhancing operational efficiency while supporting customers with sustainable coatings that enable lower-carbon outcomes. Axalta has set measurable sustainability goals to drive progress toward a low-carbon economy. | <a href="#">GHG Emissions &amp; Energy;</a><br><a href="#">Sustainable Products Strategy</a>                        |
| <b>UN SDG 16: Peace, Justice, and Strong Institutions</b> | Axalta upholds the highest standards of ethics, compliance, and corporate governance, both within our own operations and in our collaboration with business partners.                                                                                                                                                                                                                         | <a href="#">Ethics, Integrity, and Compliance</a>                                                                   |
| <b>UN SDG 17: Partnerships for the Goals</b>              | We collaborate with suppliers, customers, and industry associations to advance sustainability across the value chain. By driving innovation and sharing best practices, we strengthen progress toward a more sustainable coatings industry.                                                                                                                                                   | <a href="#">Sustainable Products Strategy</a>                                                                       |

## Cautionary Statement

This Sustainability Report includes matters, including sustainability metrics and data, that certain of our stakeholders believe are significant to Axalta. The inclusion of such matters in this report, including the use of “materiality,” “significant” or other similar terms, should not be construed as a characterization regarding the materiality or importance of such information to our business or financial results or that such information is necessarily material to Axalta or investors, or other stakeholders.

Certain of the metrics and data have been calculated based on historical methodology, which methodology may be changed in the future to reflect best practices, improved processes, revised standards, stakeholder areas of focus and other applicable considerations. In addition, while Axalta has undertaken what it believes to be reasonable efforts to accurately capture the data and metrics reflected in this report, Axalta has not audited such data, and readers are cautioned not to place undue reliance on any such data or metric included in this report. This means that Axalta may in the future report metrics and data different from those included in this report. Similarly, metrics and data in this report may differ from metrics and data that have previously been reported by Axalta. The metrics and data included in this report speak only as of the periods indicated herein and Axalta has no duty to update or recalculate any such metrics or data, whether as a result in changes in circumstances, new methodologies, improved processes or for any other reasons.

Certain of the metrics and data identified herein relate to Axalta’s Sustainability Goals, which goals were issued in January 2022 and updated in December 2025. There can be no assurance that Axalta will be successful in reaching such Sustainability Goals or any commitments included in other sustainability communications or materials. Axalta has in the past and may in the future update its Sustainability Goals and commitments. Please see Axalta’s Annual Report on Form 10-K and Quarterly Report on Form 10-Q, and other documents we have filed with, or furnished to, the U.S. Securities and Exchange Commission (the “SEC”) for information regarding Axalta’s business, as well as risk factors that may be relevant to Axalta’s business and that may impact the achievement of the Sustainability Goals, including with respect to the metrics included in this report.

In addition, Axalta’s Sustainability Goals, as well as other statements in this report, including those related to climate risk mitigation strategies and climate opportunity capitalization strategies, constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. We have identified some of these forward-looking statements with words such as “goal,” “strategy,” “plan,” “future,” “believe,” “will,” “position,” “strive,” “can,” “priorities,” “target,” “targets,” “well-positioned,” “path,” “commitment,” “potential,” “may,” “opportunities,” “could,” “expected,” “expect,” “anticipate,” “anticipated,” “projected,” “intend,” “striving,” “seek,” “aim,” “designed,” and the negative of these words or other comparable or

similar terminology. All these statements are based on management’s expectations as well as estimates and assumptions prepared by management that, although they believe to be reasonable, are inherently uncertain. These statements involve risks and uncertainties, including, but not limited to, economic, competitive, governmental, environmental and technological factors outside of Axalta’s control and evolving legal, regulatory, scientific and other standards, methodology, processes and assumptions, as well as risks related to the execution of, and assumptions underlying, the 2026 A Plan and our Sustainability Goals, that may cause actual results to differ materially. More information on potential factors that could affect Axalta’s financial results, as well as the achievement of its Sustainability Goals, is available in “Forward-Looking Statements,” “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” within Axalta’s most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, and in other documents that we have filed with, or furnished to, the SEC. Axalta undertakes no obligation to update or revise any of the forward-looking statements contained herein, whether as a result of new information, future events or otherwise.

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