

Akzo Nobel (CPS) Pension Scheme (the “Scheme”) Schedule of Contributions relating to the 31 March 2020 actuarial valuation

Period covered by this Schedule: From 1 April 2020 to the date five years from the date of certification of this schedule by the Actuary.

The contributions payable are set out below:

Defined Benefit Section

- By Members:
- 1 Salary sacrifice members – nil
 - 2 Members who are not salary sacrifice members – at the rates set out in the Scheme Rules (as amended from time to time), as set out below:

Chemicals Section	0%
Coatings Section	5%
CPS Section	7%
EKA Section	0%
NBI Section	4%
New Section	5%
 - 3 Member contributions are payable monthly and are due to be paid to the Scheme by the 19th day of the month following that to which they relate.

- By Employers: Subject to review at future actuarial valuations, contributions as follows:
- 1 Before 1 October 2021, regular contributions required to meet the ongoing accrual of benefits equal to:
 - 43.3% of members’ Fund Earnings or Pensionable Pay as appropriate for all members, less
 - the members’ contributions paid by Members who are not salary sacrifice members as described above.
 - 2 With effect from 1 October 2021, the contribution rate is 59.7% of members’ Fund Earnings or Pensionable Pay as appropriate for all members, less the members’ contributions paid by Members who are not salary sacrifice members as described above.
 - 3 The employer contributions in 1 and 2 above are payable monthly and due to be paid to the Scheme by the 19th day of the month following that to which the contributions relate.
 - 4 Subject to paragraph 5 below:
 - a a deficit contribution of £26.1 million which was paid prior to 31 March 2021

- b an amount equal to the remaining Deficit Escrow Assets following the expected release of £20 million to Akzo Nobel UK Ltd (as set out in clause 4.3 of the Framework Agreement dated _____ September 2021 between Akzo Nobel UK Ltd, Akzo Nobel N.V. and the Trustee (the "Framework Agreement") and subject to and in accordance with the terms and conditions of that Framework Agreement), if any, is expected to be paid to the Scheme on or after 31 March 2022, as set out in clause 10.7 of the Deed of Undertaking between the Trustee, the Company and the Northern Trust Company dated 1 February 2019 (the "**Deed of Undertaking**"), subject to and in accordance with the terms and conditions of that Deed of Undertaking, and as noted at clause 4.5 of the Framework Agreement.
- 5 The parties intend that cross-references to the Deed of Undertaking and the Framework Agreement will continue to operate notwithstanding any termination, invalidity or other ineffectiveness of the Deed of Undertaking or the Framework Agreement as between the parties to those documents.
- 6 The Company meets directly, without recharge to the Scheme, all operating expenses (including Pension Protection Fund (PPF) levies and any other levies) which the Trustee requires it to meet (except for investment management costs and all expenses paid towards the cost of independent financial advice which will be met out of the Scheme's assets). In the event of any failure to meet any expenses which have become due and are owed by the Scheme, the amount of the Company's contributions to the Scheme will be increased by the amount of the invoice in question if the invoice remains unpaid 30 days after a final demand by the Trustee that the invoice be paid.
- 7 The Company may make, or arrange to make, contributions or payments to the Scheme other than those described above in such manner as it determines, including without limitation from the CR Escrow Assets as defined in the Deed of Undertaking, which for the avoidance of doubt will not reduce the amounts payable under paragraphs 4-6 above.

Note:

This Schedule of Contributions does not relate to the payment of additional voluntary contributions (AVCs) as detailed in Rule 8 and Rule B2(B), additional contributions in respect of augmentations under Rule 12, or special contributions paid by the Employers for any other reason.

Signed on behalf of the Company

Signature:

Signature:

Print name:

Print name:

Position:

Position:

Date:

Date:

Signed on behalf of Akzo Nobel (CPS) Trustee Limited

Signature:

Print name:

Date:

Actuary's certification of the Schedule of Contributions

Name of Scheme: Akzo Nobel (CPS) Pension Scheme

Adequacy of rates of contributions

I certify that, in my opinion, the rates of contributions shown in this schedule of contributions are such that the statutory funding objective could have been expected on 31 March 2020 to be met by the end of the period specified in the recovery plan dated ____ September 2021.

Adherence to statement of funding principles

I hereby certify that, in my opinion, this schedule of contributions is consistent with the statement of funding principles dated ____ September 2021.

The certification of the adequacy of the rates of contributions for the purpose of securing that the statutory funding objective can be expected to be met is not a certification of the adequacy for the purpose of securing the scheme's liabilities by the purchase of annuities, if the scheme were to be wound up.

Gareth Oxtoby
Fellow of the Institute and Faculty of Actuaries
Towers Watson Limited, a Willis Towers Watson
company

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Date _____