



Capital Markets Day

May 5, 2021

Legal Notices

Forward-Looking Statements

This presentation and the oral remarks made in connection herewith may contain certain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 regarding Axalta and its subsidiaries, including our 2021 outlook, which includes net sales growth, currency effects, acquisition or divestment impacts, Adjusted EBIT, Adjusted diluted EPS, Adjusted EBITDA, interest expense, income tax rate, as adjusted, free cash flow, capital expenditures, depreciation and amortization and diluted shares outstanding, the effects of COVID-19 on Axalta's business and financial results, our longer term financial projections and goals and our business strategies. Axalta has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "outlook," "projects," "forecasts," "may," "will," "should," "plans" and "intends" and the negative of these words or other comparable or similar terminology. All of 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 and technological factors outside of Axalta's control, including the effects of COVID-19, that may cause its business, industry, strategy, financing activities or actual results to differ materially. The impact and duration of COVID-19 on our business and operations is uncertain. Factors that will influence the impact on our business and operations include the duration and extent of COVID-19, the extent of imposed or recommended containment and mitigation measures, and the general economic consequences of COVID-19. More information on potential factors that could affect Axalta's financial results 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 in other documents that we have filed with, or furnished to, the U.S. Securities and Exchange Commission. 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.

Non-GAAP Financial Measures

The historical and forward-looking financial information included in this presentation includes financial information that is not presented in accordance with generally accepted accounting principles in the United States ("GAAP"), including constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, ROIC, and Adjusted EBITDA to interest expense coverage ratio. Management uses these non-GAAP financial measures in the analysis of our financial and operating performance because they assist in the evaluation of underlying trends in our business. Adjusted EBITDA, Adjusted EBIT and Adjusted diluted EPS consist of EBITDA, EBIT and Diluted EPS, respectively, adjusted for (i) certain non-cash items included within net income, (ii) certain items Axalta does not believe are indicative of ongoing operating performance or (iii) certain nonrecurring, unusual or infrequent items that have not occurred within the last two years or we believe are not reasonably likely to recur within the next two years. We believe that making such adjustments provides investors meaningful information to understand our operating results and ability to analyze financial and business trends on a period-to-period basis. Adjusted net income shows the adjusted value of net income (loss) attributable to controlling interests after removing the items that are determined by management to be items that we do not consider indicative of our ongoing operating performance or unusual nonrecurring in nature. Our use of the terms constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, ROIC, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio may differ from that of others in our industry. Constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio should not be considered as alternatives to net sales, net income (loss), income (loss) before operations or any other performance measures derived in accordance with GAAP as measures of operating performance or operating cash flows or as measures of liquidity. Constant currency net sales growth, income tax rate, as adjusted, EBIT, Adjusted EBIT, EBITDA, Adjusted EBITDA, Adjusted diluted EPS, free cash flow, net debt, ROIC, Adjusted net income and Adjusted EBITDA to interest expense coverage ratio have important limitations as analytical tools and should be considered in conjunction with, and not as substitutes for, our results as reported under GAAP. This presentation includes a reconciliation of certain non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP. Axalta does not provide a reconciliation for non-GAAP estimates for constant currency net sales growth, Adjusted EBIT, Adjusted EBITDA, Adjusted diluted EPS, income tax rate, as adjusted, or free cash flow on a forward-looking basis because the information necessary to calculate a meaningful or accurate estimation of reconciling items is not available without unreasonable effort. For example, such reconciling items include the impact of foreign currency exchange gains or losses, gains or losses that are unusual or nonrecurring in nature, as well as discrete taxable events. We cannot estimate or project these items and they may have a substantial and unpredictable impact on our US GAAP results.

Constant Currency: Constant currency or ex-FX percentages are calculated by excluding the change in average exchange rates between the current and comparable period by currency denomination exposure of the comparable period amount.

Organic Growth: Organic growth or ex-M&A percentages are calculated by excluding the impact of recent acquisitions and divestitures.

Segment Financial Measures: The primary measure of segment operating performance is Adjusted EBIT, which is a key metric that is used by management to evaluate business performance in comparison to budgets, forecasts and prior year financial results, providing a measure that management believes reflects Axalta's core operating performance. As we do not measure segment operating performance based on net income, a reconciliation of this non-GAAP financial measure with the most directly comparable financial measure calculated in accordance with GAAP is not available.

Defined Terms: All capitalized terms contained within this presentation have been previously defined in our filings with the United States Securities and Exchange Commission.

Rounding: Due to rounding the tables presented may not foot.

Agenda

8:30 am

Welcome and Opening Remarks

Chris Mecray

VP, Investor Relations and Treasury

Creating a Value Compounder

Robert Bryant

CEO

Innovating for the Future

Robert Roop

VP, CTO

Refinish Growth Vectors

Troy Weaver

SVP, Global Refinish

10:00 am

Q&A Session

10:15 am

Break

10:20 am

Industrial Growth Vectors

Shelley Bausch

SVP, Global Industrial Coatings

Mobility Growth Vectors

Hadi Awada

SVP, Global Mobility

Enabling Growth with Operational Excellence

Barry Snyder

SVP & Chief Operations and Supply Chain Officer

Growth Guideposts and Capital Allocation Priorities

Sean Lannon

SVP & CFO

Closing Remarks

Robert Bryant

CEO

11:30 am

Q&A Session



Creating a Value Compounder

Robert Bryant | CEO

Key Messages

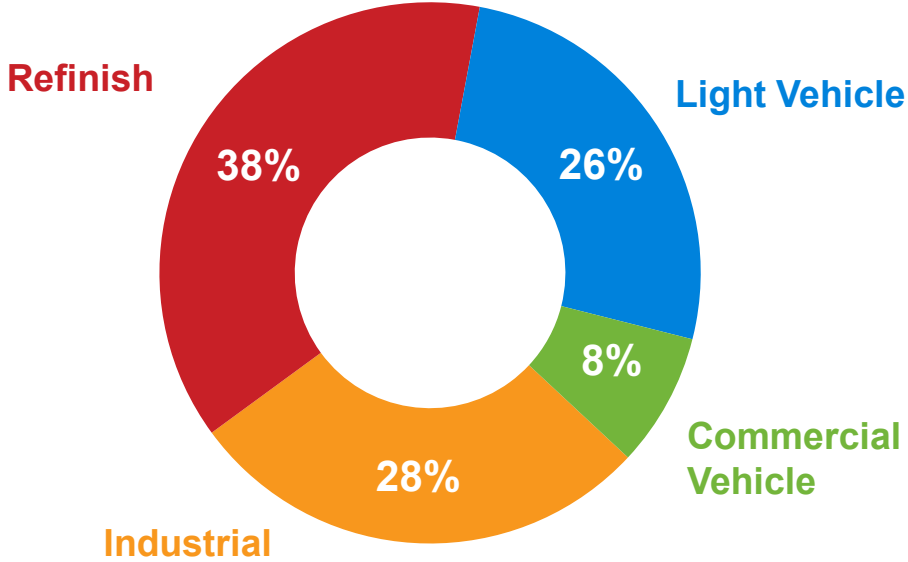
- 1 Entering a **new dawn** focused on unlocking Axalta's full potential and creating substantial stakeholder value
- 2 **Driving innovation** as the foundation of market leadership, positive disruption and growth
- 3 **Accelerating growth** fueled by new organic and inorganic strategic growth vectors
- 4 Codifying **Axalta Way** operational excellence for continuous improvement and focus on execution



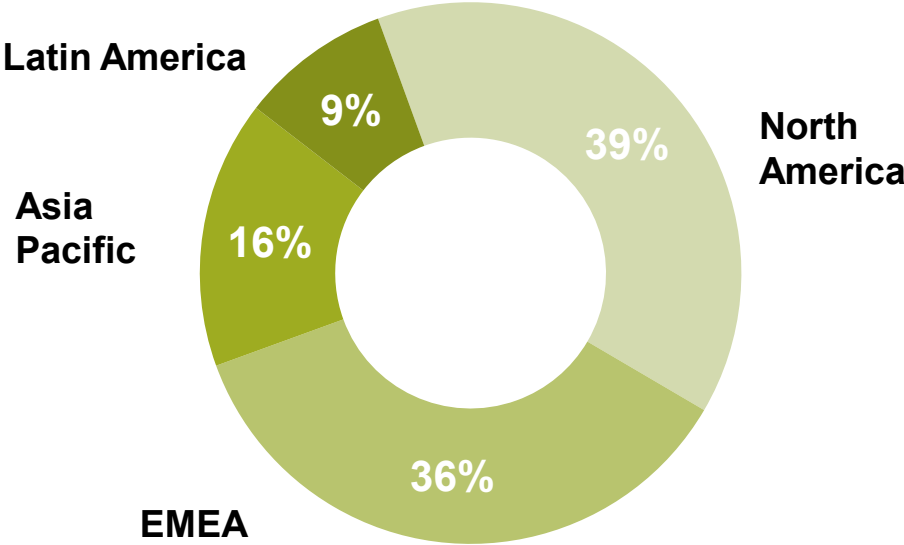
A GREAT BUSINESS WITH A STRONG FOUNDATION FOR GROWTH AND VALUE CREATION

Strategic and Complementary Businesses

2021E NET SALES ~\$4.5B



BY GEOGRAPHY



Performance Coatings

Refinish

- Independent body shops
- Multi-shop operators (MSOs)
- Auto dealership groups

Industrial

- General Industrial
- Building Products
- Energy Solutions

Mobility Coatings

Light Vehicle

- Automotive OEMs
- Plastic and composite components
- Automotive coatings application services

Commercial Vehicle

- Heavy duty and utility trucks
- Rail, bus and machinery
- Recreational and off-road
- Light marine and aviation

STRONG AND DIVERSIFIED END MARKETS

Well-Established Coatings Industry Innovator

#4 Player in \$160B Coatings Market

KEY STATISTICS

150+

Years in Coatings

130+

Countries

4%

R&D and Technical
Service Investment

28

Global Laboratories

50+

New Product Platforms
per Year

~13,000

Employees

~30M

Vehicles Coated per Year

47

Manufacturing Sites

50+ BRANDS

SYROX[™]

**SPIES
HECKER**

AquaEC[™]

Cromax

nason
finishes

Alesta[®]
Powder Coatings

DUXONE[®]



IMRON[™]

STANDOX

A New Dawn: Streamlined Growth Platform

2020: Set Foundation for Growth

- Completed Strategic Review
- Pivoted to global business unit operating model
- Streamlined decision making to accelerate growth
- Hired key executives to broaden skill-sets and renewed focus on growth
- Appointed new Board Directors (2019-2020) with targeted expertise

Ongoing Focus Areas

- Playing to win
- Constantly innovating
- Advancing aggressive growth targets
- Driving operational excellence and improving cost structure
- Focusing on ESG, including Diversity, Equity & Inclusion
- Effective capital allocation

Near-Term Strategic Priorities

- White space opportunities in coatings markets where we have capabilities and technologies
- Emerging markets expansion
- End-market diversification including potential adjacencies
- Strategic M&A

IN EARLY STAGES OF OUR NEW JOURNEY

Our Sustainable Competitive Advantages



COMPREHENSIVE PRODUCT RANGE TAILORED TO CUSTOMER REQUIREMENTS

Vision and Strategic Imperatives

To be the preferred coatings supplier for customers seeking the most innovative products and services, delivered by the most talented team in the industry



- Rapid new product development
- Accelerate commercialization
- Focused bold moves
- Broaden addressable markets



- Accelerate above-market performance
- Expand service offerings to enhance value for customers
- Capture emerging markets opportunities; focus on China / Asia Pacific
- Strategic M&A



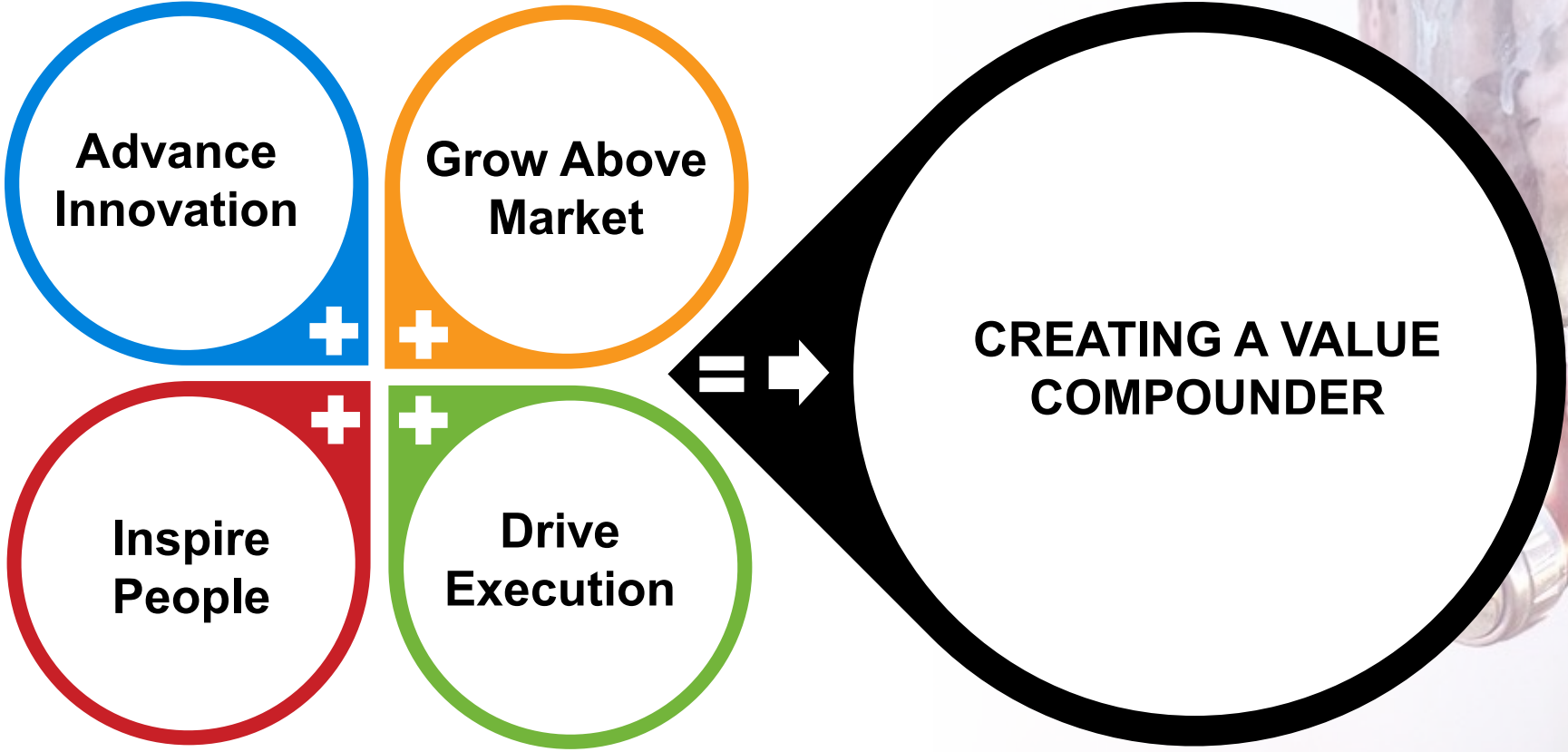
- Continuous improvement across the enterprise
- Substantial efficiency and productivity opportunities
- On path to world class manufacturing



- Drive organizational capability through talent development and acquisition
- Inspire employees to excel and create alignment through incentives

Shareholder Value Creation Algorithm

Strategic Imperatives



Creating a Value Compounder



**Advance
Innovation**

PRODUCT

- Rapid new product development and commercialization
 - Color aesthetics, sustainability, productivity and performance

SERVICE

- Expand service offerings to enhance value to customers
 - Innovative service models via digitization

BUSINESS MODEL

- Creative business models
 - Unique approaches to create customer value

PROCESS

- New process technologies to enhance production at global scale
- New business processes to drive efficiencies

Creating a Value Compounder



**Grow Above
Market**

GEOGRAPHIC EXPANSION

- Accelerate growth in underpenetrated markets (e.g., China / Asia Pacific)

DIVERSIFICATION

- Grow current business verticals and add new industrial end markets

CUSTOMER REACH

- Expand market access via distribution channels

TECHNOLOGY & DATA

- Capitalize on digitization and automation

STRATEGIC M&A

- Strategic bolt-ons and high-growth adjacencies

Well-Positioned for Favorable Macro Trends and Drivers

	Near-Term Trends	2021E Net Sales	Total Addressable Market	Market Position ¹
 REFINISH	Benefits from ongoing traffic recovery accelerated by the COVID-19 vaccination rollout, creating a 1–2-year demand tailwind	\$1.7B	\$7.0B	#1
 INDUSTRIAL	Global industrial production of 6-7% expected in 2021	\$1.3B	\$65.0B	#2 / #4
 LIGHT VEHICLE	Global Light Vehicle production is forecasted to grow for the next five consecutive years	\$1.2B	\$8.5B	#2
 COMMERCIAL VEHICLE	Truck production experiencing global demand recovery; 20%+ growth expected for 2021 (ex Asia)	\$0.3B	\$3.5B	#1

Source: Orr & Boss.

1. #2 for Global Industrial E-Coat Supplier, North American Wood Coatings Supplier and #4 Global Electrical Insulation Supplier, Light Vehicle tied with peer and #1 Globally in commercial truck & bus and CV in Americas.

Active Pipeline with Proactive Approach to Strategic M&A

Track Record

24

Acquisitions since 2015

>\$635M

Annual Revenues¹

>\$125M

Incremental EBITDA¹

Acquisition Benefits:

- Growth and cost **synergies**
- **Globalization** of regional product lines
- **Market access and capacity** with fit-for-purpose cost structure
- **Acceleration** of new product introductions
- **Acquire** new skill sets and capabilities



DISCIPLINED ACQUISITIONS KEY ELEMENT OF VALUE CREATION ALGORITHM

1. Annual Revenues and Incremental EBITDA based on TTM at time of closing

Creating a Value Compounder

**Drive
Execution**

METRICS DRIVEN

- Safety, quality, service, cost, people development

OPERATIONAL AND COMMERCIAL EXCELLENCE

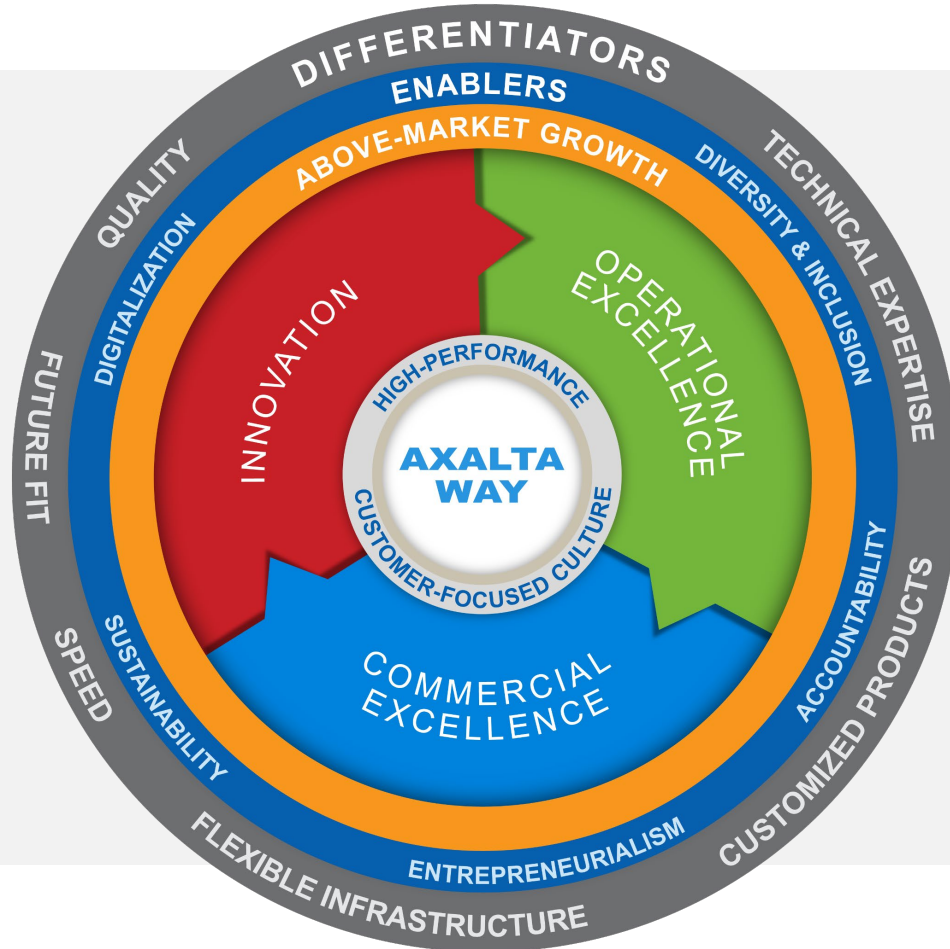
- Drive productivity; Axalta Operational Excellence roll out
- Metrics driven accountability

GLOBAL PRODUCTIVITY

- Axalta Way productivity targets, process reengineering to reduce global cost structure



Axalta Way | Culture of Continuous Improvement



Progress Made

- ✓ Pivoted to global business unit operating model
- ✓ Streamlined and right-sized overhead cost structure
- ✓ Procurement process established
- ✓ Commercial excellence initiatives
- ✓ Footprint consolidation initiatives
- ✓ Complexity reduction

Near-Term Priorities

- Further complexity reduction
- Footprint and AOE maturity
- Supply Chain & Procurement
- ERP upgrades in progress
- Ongoing functional process redesign

Creating a Value Compounder



**Inspire
People**

TALENT DEVELOPMENT

- Refreshed leadership team and added new board members with diverse, relevant skill sets

CULTURE

- Performance-driven culture that fosters empowerment, innovation and calculated risk taking

ACCOUNTABILITY

- Driving ownership and accountability deeper into the organization through operating structure realignment and incentive compensation

BEHAVIORS

- Ownership mindset as a common culture, with a goal for every employee to embrace a commitment to safety, ethical behavior and sustainability



INSPIRE OUR PEOPLE TO EXCEL IN A HIGH-PERFORMANCE, CUSTOMER-CENTRIC CULTURE

Deep and Experienced Leadership Team



Robert Bryant
Chief Executive Officer
Joined: 2013



Shelley Bausch
SVP, Global Industrial
Coatings
2021



Hadi Awada
SVP, Global Mobility
2020



Troy Weaver
SVP, Global Refinish
1992



Sean Lannon
SVP and Chief Financial
Officer
2013



Barry Snyder
SVP and Chief Operations
and Supply Chain Officer
2015



Robert Roop
VP and Chief Technology
Officer
1989



Jeremy Rohen
SVP, Strategy and
Business Development
2021



Brian Berube
SVP, General Counsel and
Corporate Secretary
2019




Lynne Sprinkle
SVP and Chief Human
Resources Officer
2017



Ashish Jawadiwar
VP and Chief Information &
Digital Officer
2018



Tabitha Oman
VP, Deputy General
Counsel and Chief
Compliance Officer
2014

 New to Axalta within Last 2 Years

ADDED SUBSTANTIAL TALENT OVER THE PAST TWO YEARS

Engaged and Diverse Board of Directors



Mark Garret
Chairman of the Board
and CEO
Marquard & Bahls AG
2016



Robert Bryant
CEO
Axalta
2018



Steven Chapman
Former Group VP China and
Russia
Cummins
2020



William Cook
Former Exec. Chairman,
President and CEO
Donaldson Company
2019



Deborah Kissire
Former Vice Chair
and Regional
Managing Partner
Ernst & Young
2016



Elizabeth Lempres
Former Senior
Partner and Board
Member
McKinsey & Co.
2017



Robert McLaughlin
Former SVP and
CFO
Airgas
2014



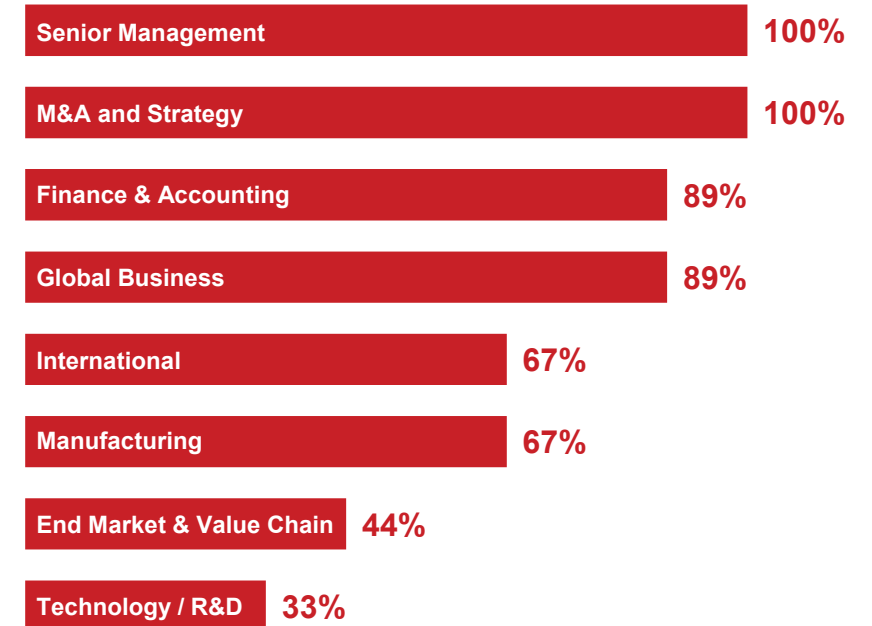
Rakesh Sachdev
Chairman of the
Board
Regal Beloit
Corporation
2020



Samuel Smolik
Former SVP
Americas
Manufacturing
LyondellBasell Ind.
2016

 New to the Board within Last 2 Years

Board Skills Matrix



Board Attributes

Average Age	~62 Years
Average Tenure	~3 Years
Independent Directors	89%
Ethnic and/or Gender Diversity	33%

Accelerating Sustainability and ESG Initiatives

Environmental



- Global Responsible Care® and ISO certifications for manufacturing sites¹
- Reducing energy, emissions and waste from operations
- Aligning of climate change efforts to TCFD² framework
- Focused on environmentally friendly products (e.g., Energy Solutions portfolio, powder coatings and waterborne coatings)
- Product safety and environmental stewardship of chemical inputs and products

Social



- Top-decile safety performance in our industry
- Employee growth and development programs
- Global Diversity, Equity & Inclusion initiatives
- Commitment to responsible sourcing and human rights in supply chain
- Supporting our communities (e.g., investing in STEM education initiatives and funding conservation efforts)

Governance



- Global commitment to ethical business conduct; no material compliance issues in Axalta history
- ESG strategy aligned with business strategy
- Board oversight of ESG³
- ESG Steering Committee with executive-level cross-functional representation

STRONG COMMITMENT TO ESG INITIATIVES, PERFORMANCE AND DISCLOSURE

Mid-Term Portfolio Focus through 2024

Targeting above market organic growth and a more diversified portfolio through strategic M&A

Annual Targets

4-5%+

Organic Growth
CAGR '19-'24

9-10%

Total Sales Growth
(including M&A)

Growth Drivers

- Market recovery tailwinds through 2023
- Innovation driven growth from new products
- Emerging market penetration with existing and new products
- Share of wallet opportunity with existing customers

- Disciplined approach
- Strategic bolt-ons and high-growth adjacencies

SOLID ORGANIC GROWTH AND STRATEGIC CAPITAL DEPLOYMENT TO CREATE SHAREHOLDER VALUE



Innovating for the Future

Robert Roop | VP, Chief Technology Officer

Key Messages | Innovating for the Future

- 1** **World-class technology organization** optimized for speed of delivery
- 2** **Global scope and scale** with expertise in markets, regional requirements and customer applications
- 3** **Innovative culture** solves complex customer problems
- 4** **Rich new product pipeline** enabling accelerated growth
- 5** Innovation extended to **processes, services and digitization**



STRONG FOUNDATION AND CAPABILITIES ENABLING ABOVE MARKET GROWTH

World-Class Technology Organization

Global Infrastructure and Coatings Expertise

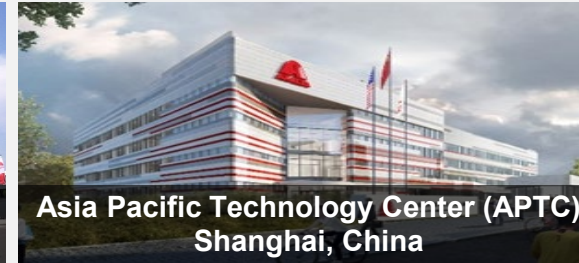


Technology Investment is Axalta's Foundation

Global Hub



Regional Technology Centers



- Deep expertise in coatings enables cutting edge product innovations for our customers
- Product platforms developed at the GIC are adapted for local customer requirements at regional technology centers
- Industry leading margins reflect strength of technology, application expertise and strong global brands

Axalta's Global Innovation Center

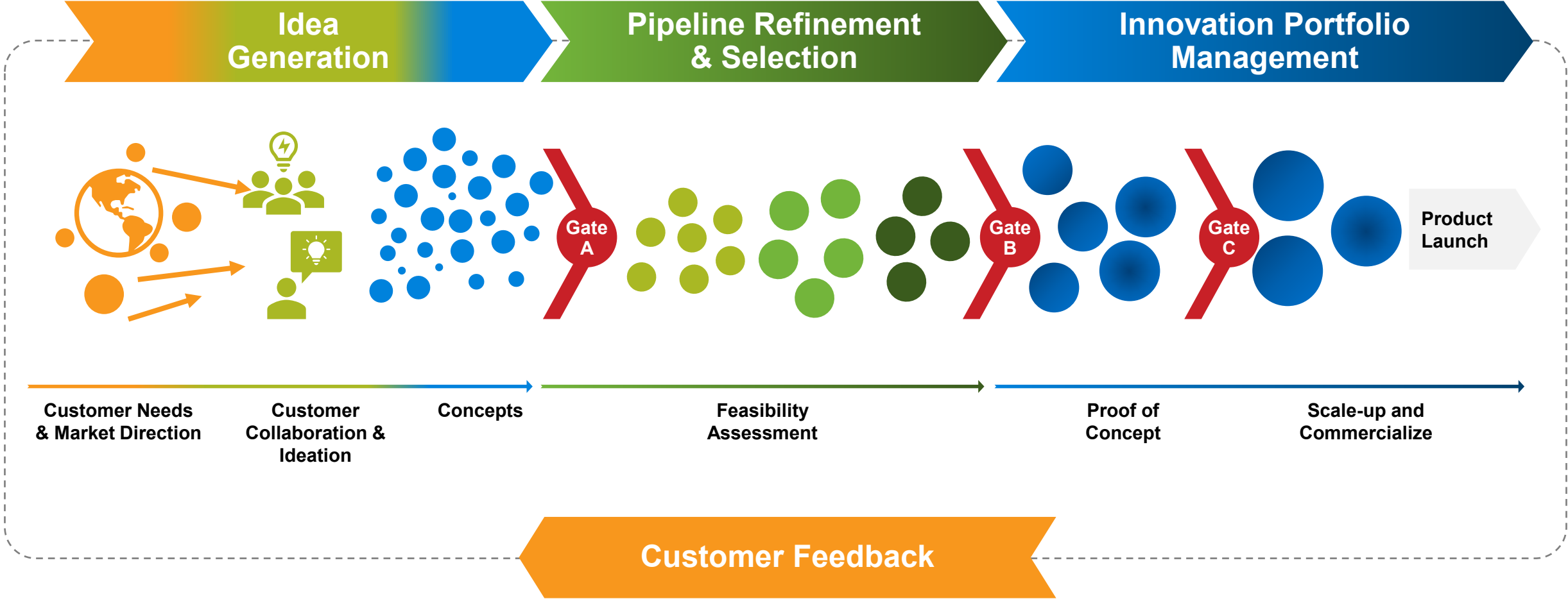


Innovation | Strategic Approach



AXALTA'S CULTURE OF INNOVATION IS FOCUSED ON SOLVING CUSTOMER PROBLEMS BY CREATIVELY DEVELOPING SOLUTIONS

Axalta Innovation Process & Governance



FOCUS ON RAPID COMMERCIALIZATION CYCLE TIME

Axalta's Technology Aligns with Customer Priorities



- Unique Style and Flair
- Visually Interesting
- Expanded Color Palette



- Reduced Emissions
- Lower Usage
- Reduced Energy

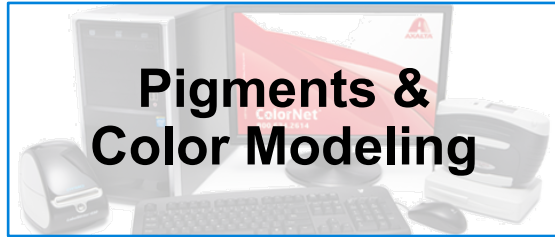


- Cycle Time Improvement
- Faster Drying
- Mass Customization



- Durability
- Multi Substrate
- Electric Motor Insulation

Our Fundamental Building Blocks to Deliver Innovation



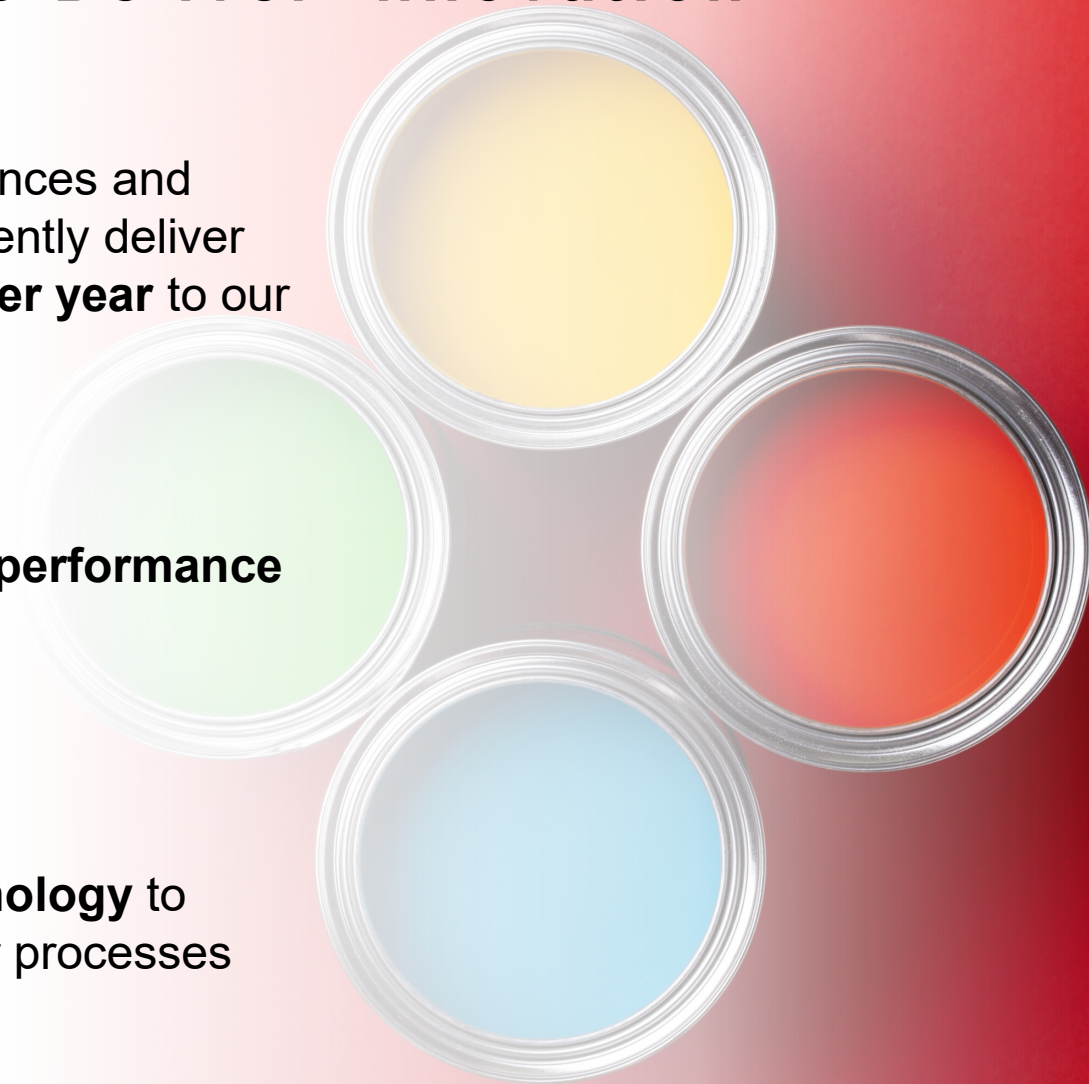
- New and unique visual appearances and improved color match that efficiently deliver **>20,000 new color formulas per year** to our customers



- Unique resins deliver **superior performance** attributes



- **World-class application technology** to simulate and optimize customer processes



Building Blocks for Innovation



Product Innovation Drives Organic Growth

2021 Technology Investment

- \$188M/year R&D and technical services investment
- Investment across all business segments
- Introduce over 50 new product platforms per year that drive the majority of organic growth
- Focused customer solutions that drive growth and defend key business



>500/yr
Product
Modifications

~20,000/yr
Service
Requests

>20,000/yr
Color
Developments

TECHNOLOGY INVESTMENT DRIVING TANGIBLE BUSINESS IMPACT

Differentiated Technology Across End-Markets



Refinish

- Industry leading color capability
- Most productive waterborne basecoat technology
- Develop tailored technology for Premium, Mainstream and Economy segments



Industrial

- Low emission electrical insulation materials for energy and e-mobility markets
- Award winning primer and enamel coatings for cabinetry
- Super durable extrusion products with best-in-class quality



Light Vehicle

- Broadest portfolio of harmonized coating technology
- Industry leading premium clearcoats
- E-coat that enables expanded list of substrates and EV platforms



Commercial Vehicle

- Benchmark for appearance and productivity for truck and bus market
- Broadest custom color solutions
- Industry leading corrosion and chip resistance

New Product Development Roadmap

Advanced

- Products for the future

New

- Next-generation products

Improve

- Constant innovation for continuous improvement

Defend

- Defend strong market position in key businesses

Defend | Technology Case Study

Market Need

Customers in heavy duty truck segment focused on productivity and energy consumption

Axalta Innovation: Imron™ Elite

- Shorter cure time
- Reduced bake temperature
- Full color capability
- Improve appearance



Outcomes

✓ Sustainable solution

✓ Improved productivity

✓ Premium appearance



AXALTA'S TECHNOLOGY DRIVES TRUCK CUSTOMER PRODUCTIVITY

Improve | Technology Case Study

Market Need

Innovative color choices and increasing performance characteristics for each new model year in light vehicle market

Axalta Innovation: LV Color Basecoats

- New pigments
- Novel “effects”
- Meets new demanding performance criteria for autonomous vehicle growth



Outcomes

✓ New, unique colors

✓ Unique appearances

✓ LiDAR/RADAR enabling



KEY VALUE DRIVER IS CONSISTENTLY REFRESHED WHILE ENABLING EMERGING TECHNOLOGIES

New | Technology Case Study

Market Need

A sustainable waterborne clearcoat for the Refinish market

Axalta Innovation: Spies Hecker 8200

- Low VOC¹
- Waterborne technology
- Excellent appearance and hardness
- First introduced in China, Korea and Japan



Outcomes

✓ Industry's first premium waterborne clearcoat

✓ Sustainable solution

✓ Market leader

It's time to go waterborne!
Designed for you and the environment.



MET NEW DEMANDING REGULATION IN ASIA PACIFIC TO ENABLE GROWTH

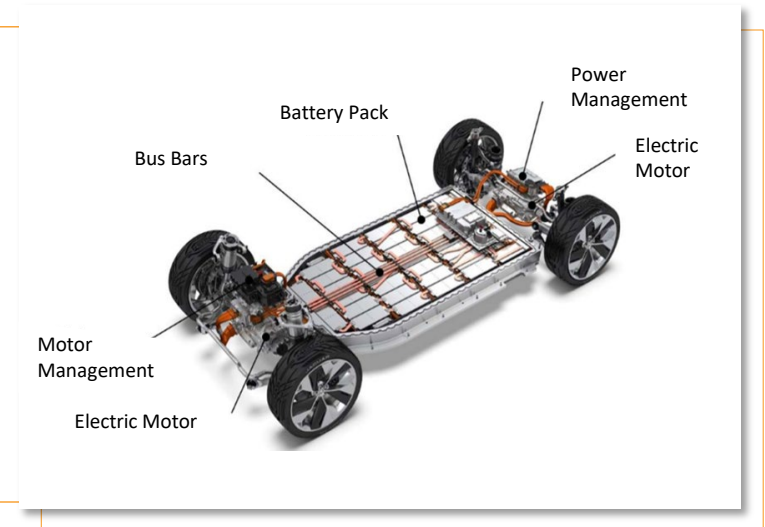
Advanced | Technology Case Study

Market Need

Greater electric motor efficiency for EVs to maximize range

Axalta Innovation: Voltatex® 4224

- Improve thermal conductivity
- Lowers operating temperatures
- Improve efficiency
- High voltage capable



Outcomes

✓ Reduced electric motor weight

✓ Reduced electric motor size

✓ Improved durability

ADVANCED THERMAL AND ELECTRICAL MANAGEMENT TO EXTEND EV RANGE

Innovation Beyond Products

Processes – Changing approach to increase efficiency

The diagram illustrates a car's sensor suite with various functions: Adaptive Cruise Control, Traffic Sign Recognition, Emergency Braking, Pedestrian Detection, Collision Avoidance, Lane Departure Warning, Surround View, Blind Spot Detection, Cross Traffic Alert, Park Assist, Rear Collision Warning, Park Assistance, and Surround View. A legend identifies the sensors: Long-Range Radar (blue), LIDAR (green), Camera (red), Short-Medium Range Radar (orange), and Ultrasound (yellow). A blue ribbon award is shown below the car diagram. Below the ribbon is a technical drawing of a mechanical component with labels: Motor, Speed reducer, Dip leg, Jacket, Baffle, Drain valve, Liquid surface, Thermowell, Shaft, and Impeller. To the right is a photograph of a white sports car with red accents.

Services – Unique ways to meet diverse customer needs

The image shows a modern showroom with a large 3D AXALTA logo on the wall and two large display cases filled with color swatches. Below the showroom image is a photograph of a black circular product, likely a paint or coating system, with a colorful logo in the center.

Digitalization – Exploiting new digital tools to improve efficiency

The image shows a person in a dark jacket working on a laptop in an office setting. To the right is a smartphone displaying various app icons, including a calendar, a clock, a camera, a gallery, a mail app, a social media app, a weather app, a fitness app, a shopping app, a travel app, and a GOALS app. The GOALS app icon features the AXALTA logo.

INNOVATION IS OUR DIFFERENTIATOR AND A TRUE COMPETITIVE ADVANTAGE

Innovation Beyond Products | Digitization



Innovation | Key Takeaways

-  1 World-class technology organization with facilities optimized for speed of delivery
-  2 Global scope and scale with expertise in markets, regional requirements and customer applications
-  3 Innovative culture solves complex customer problems
-  4 Rich new product pipeline enabling accelerated growth
-  5 Innovation extended to processes, services and digitization



Refinish Growth Vectors

Troy Weaver | SVP, Global Refinish

Key Messages | Refinish Growth Vectors

1

Building on **#1 Market Position** in attractive Refinish coatings industry

2

Driving innovation including digitization to effectively address evolving **customer needs**

3

Accelerating growth to further expand our **global leadership**

4

Focusing on strong execution including increasing sales force productivity

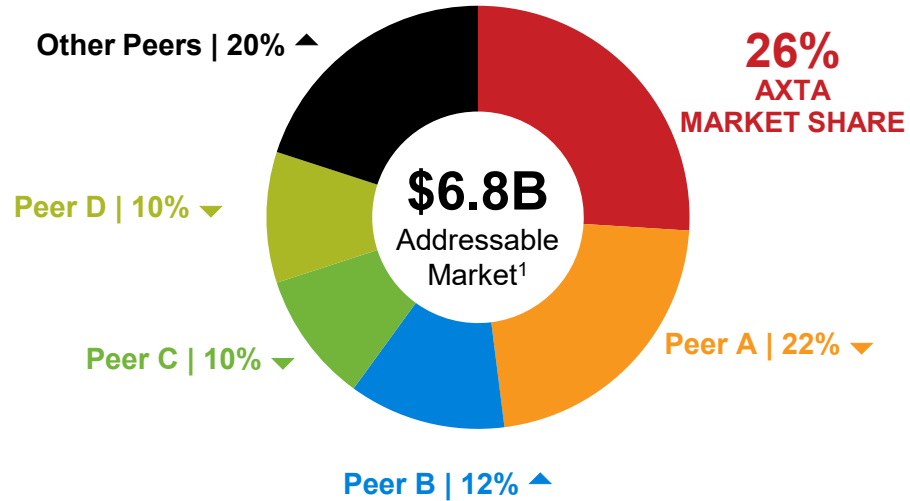


STRONG FOUNDATION AND CAPABILITIES FOR ABOVE MARKET GROWTH

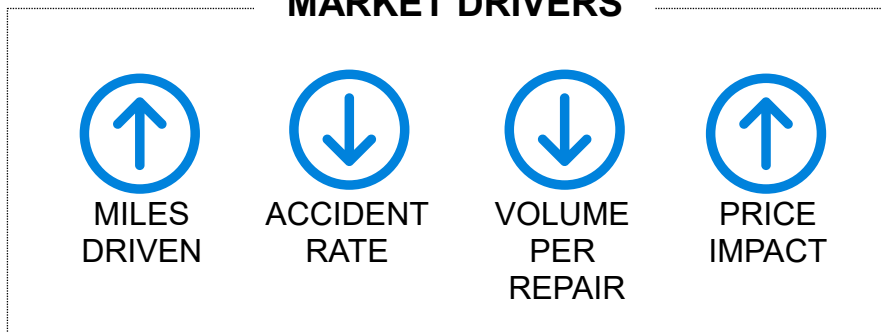
#1 Market Position in an Attractive Industry

Refinish Market

130bps market share expansion over the past three years



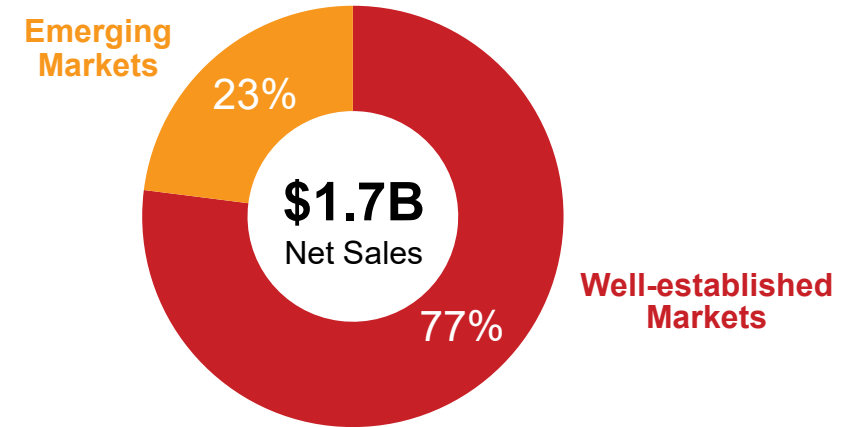
MARKET DRIVERS



Refinish market is stable and expected to grow 2.5% YoY

1. Based on 2019 data

Established & Emerging Markets

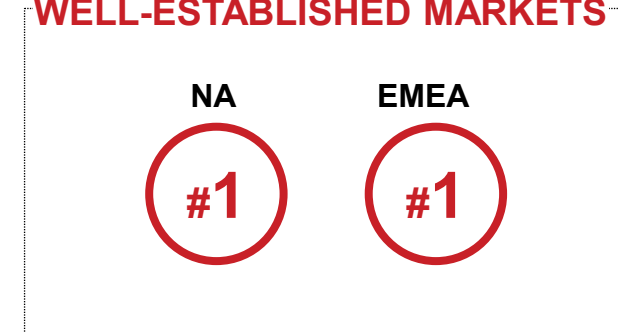


EMERGING MARKETS



Opportunity to expand Market Share

WELL-ESTABLISHED MARKETS



Strong in the two largest markets

Undisputed Leadership in Premium Segment

Refinish Customers



Premium

Larger growth-oriented shops competing for insurance workflow (ex. MSOs and Dealerships)



Fastest Market Growth in NA

40%

AXTA Share

65%

AXTA Net Sales



Mainstream

Smaller single location shops with some insurance workflow while relying on customer referral



Fastest Market Growth in EMEA

19%

AXTA Share

25%

AXTA Net Sales



Economy

Small and less sophisticated shops providing low-cost collision repairs



Strong Market Growth Globally

9%

AXTA Share

10%

AXTA Net Sales

SIGNIFICANT PROFITABLE GROWTH OPPORTUNITY IN MAINSTREAM AND ECONOMY SEGMENTS

Sustainable Competitive Advantages

Breadth of Offering and Innovation

Industry leading brand and product portfolio across all customer segments



Comprehensive Product Portfolio

90+

New Products
In 3 Years

60,000+

Color Formulations
In 3 Years

Investments in Innovation to Support Growth

Extensive Global Distribution Network

Strong position with national / multi-line distributors

85,000+

Body Shops
Around the World

▲ 5%

Customer Base
Expansion in 3 Years

Access to Highly Fragmented Customer Base

8,000+

Stock Points
Around The World

▲ 15%

Stock Points
Expansion In 3 Years

Largest Distribution Footprint

Scale to Support Broad Customer Base

Largest field organization in the industry

11

Manufacturing
Sites

48

Customer
Training Centers

Infrastructure Expansion

4,000+

Shop Installs
In 3 Years

130,000+

Painters Trained
In 3 Years

People Intensive Industry

OUTSTANDING SERVICE ENABLES VALUE PRICING

Anticipating Customer Needs

Market Trends...

Body Shop Consolidation

- Workflow allocation by insurers favorable to MSOs¹
- MSOs speeding up growth through acquisitions

Labor Shortage

- Fewer paint technicians available in industry
- High turnover with long learning curve



...Drive Customer Requirements

Premium Customers

- Push for Performance
- Cost Savings in Process And Materials
- Digital Business Models
- Data Transparency

Environmental Compliance

- VOC² regulations being adopted by more countries
- Push for waterborne systems to meet regulations

Growth Of Economy Segment

- Geographies that favor economy products growing faster
- China insurance reform



Mainstream / Economy Customers

- Environmentally Friendly Paint Systems
- Balance Repair Budget vs Repair Quality
- Real Time Technical Support

WELL-POSITIONED TO MEET EMERGING CUSTOMER REQUIREMENTS

Innovation Leadership for Premium Segment



Single Visit Application Waterborne System

55%

Faster Than vs Competition

30%

Less Materials vs Competition

- Reduced spray booth cycle time
- Capability to spray all three layers in one visit delivers industry-leading productivity



Digital Color Match And Automated Color Mix

50%

Faster Than vs Manual Process

25%

More Accurate vs Manual Process

- Innovation delivers a perfect color match
- Color science and automation improve processing time and precision



Data Integration To Optimize Customer Support

30,000+

Orders Per Month

200,000+

SKUs Purchased

250,000+

Repairs Per Month

5,000+

Shop Painters

100+

AXTA Technicians

- Data analytics enable real-time profitability metrics and improved decision-making
- Resources are pro-actively deployed to support underperforming shops

PARTNERING WITH OUR CUSTOMERS TO DELIVER VALUE-ADDED SOLUTIONS

Targeted Innovation for Mainstream / Economy

➤ Revolutionary Waterborne System for Mainstream Customers

- Engineered to deliver ease of use throughout every step of the collision repair
- Shorter learning curve making transition from solventborne to waterborne simpler
- Technology tailored for different product lines to address unique regional requirements



CROMAX EZ
(NA / APAC)



SYROX
(EMEA)



WONDER MATCH
(GC)

➤ New Collision Quality Economy Refinish System

- Engineered to maximize production efficiency
- Deliver color capable Refinish system at the right price point for economy shops
- Small package size to make mix toner replacement affordable



BI-KAPA PLUS
(LA)



NASON XL LV
(NA)



PAMAKE
(APAC)

➤ Virtual On-Demand Support

- Ability to reach a broad customer base at the exact moment they need support
- ColorNet Cloud enables self-guided troubleshooting
- Virtual agent and training bring tech support to a larger number of customers



VIRTUAL AGENT
(NA)



VIRTUAL TRAINING
(GLOBAL)

EXECUTING ON SUBSTANTIAL GROWTH OPPORTUNITY

Key Strategies to Accelerate Growth



Increase Market Access

Add distribution points in underrepresented geographies

Expand Premium Leadership

Leverage industry-leading value proposition to increase market share

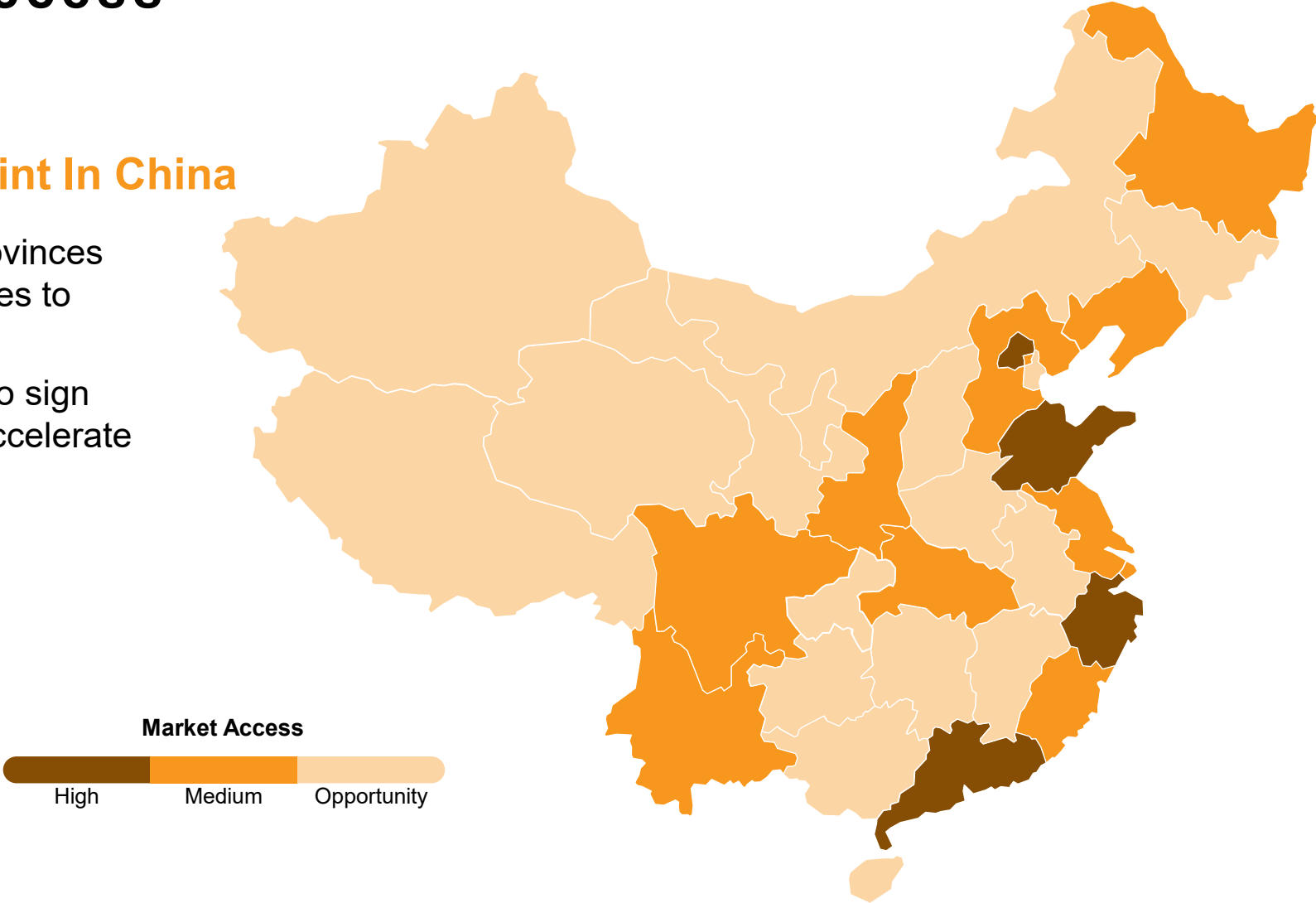
Gain Share in Mainstream / Economy

Leverage product offering and market access to tap growing segment

Increase Market Access

Expand Distribution Footprint In China

- Opportunity across several key provinces and especially in Tier 3 / Tier 4 Cities to increase coverage and grow faster
- Leverage strong product portfolio to sign up new distribution partners and accelerate growth



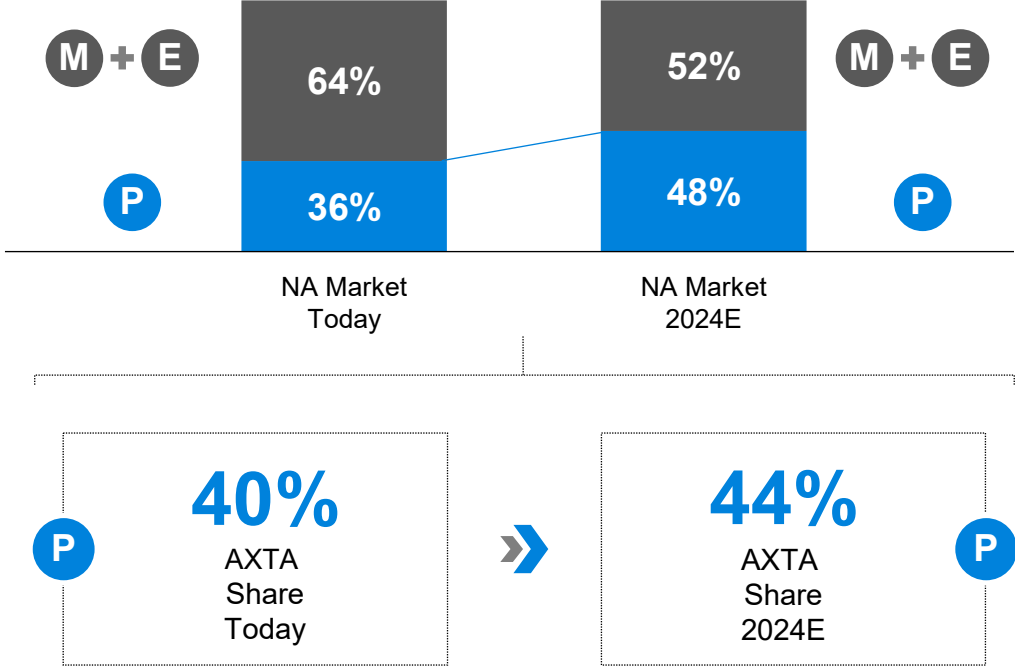
FOCUSED ON WHITE SPACE MARKET ACCESS TO ENABLE GROWTH

Expand Premium Leadership

Benefit from Market Shift and Grow with MSOs in NA

- Market leader and well positioned to benefit from shift towards premium customers (especially MSOs) due to insurance coverage
- Our value proposition will enable premium customers and Axalta to outgrow the market by ~200bps in NA

Market Segmentation



LEVERAGING OUR STRENGTHS IN WELL-ESTABLISHED MARKETS

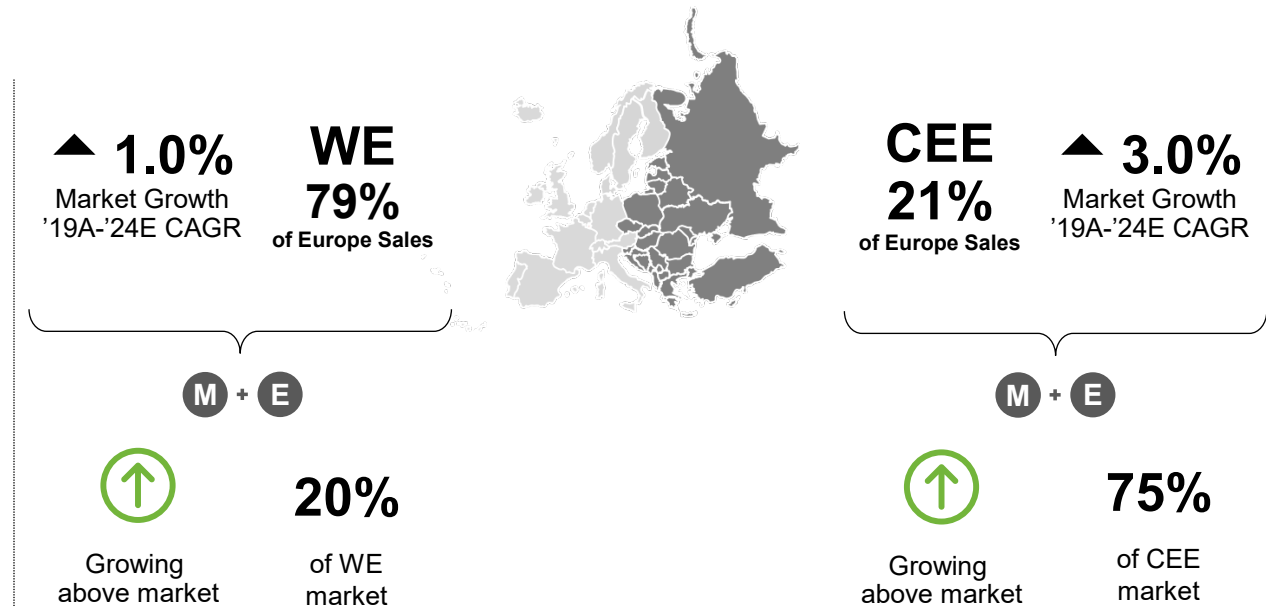
Gain Share in Mainstream / Economy

Capitalize on Shift to VOC Compliant Coatings in Asia



- Leverage innovative VOC coatings to capture share from local manufacturers in the Mainstream / Economy
- Easy to Use Waterborne Systems (Wonder Match or Syrox)

Grow in Central and Eastern Europe

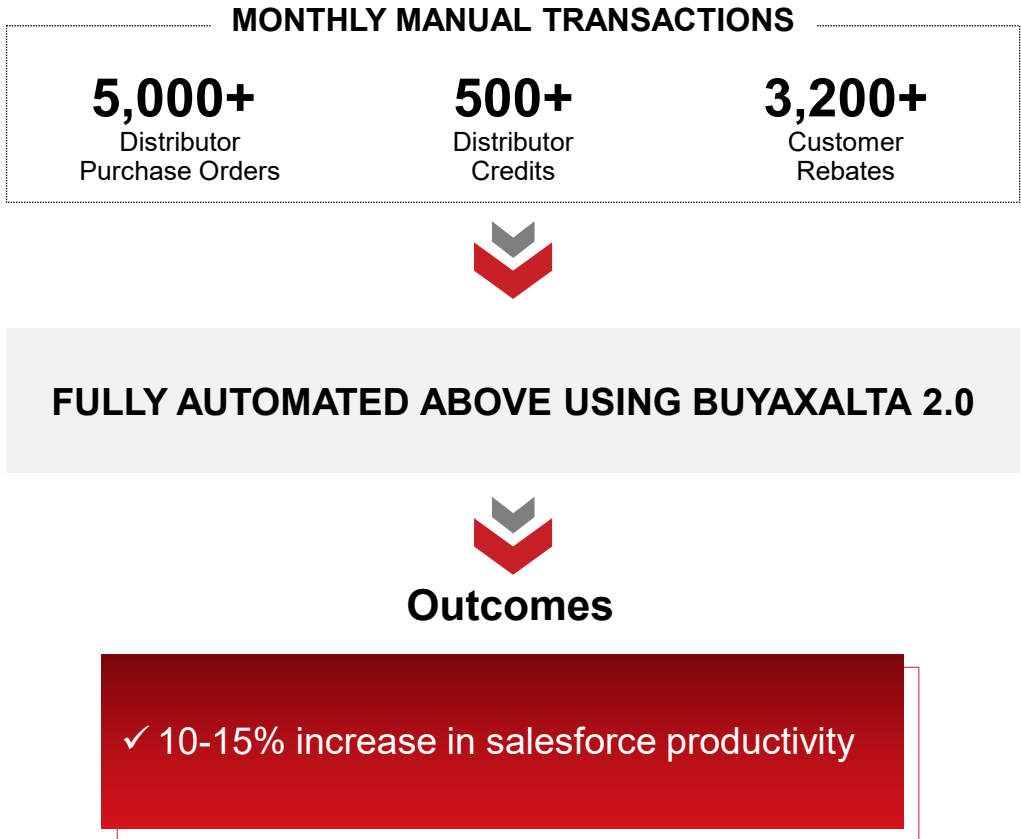


- CEE markets are growing at a faster pace mainly driven by mainstream / economy segments
- Leverage distribution network to speed up market penetration of newly launched product and service offerings to capture more share

GLOBAL MARKET IS EVOLVING TOWARDS AXALTA'S STRENGTHS

Investing in Digital Innovation to Accelerate Growth

Streamline and Automate Manual Processes



+ Invest to Expand Sales Force Capabilities



Sales Pipeline Management
Increase accountability and leads conversion rate



Deal Management Tool
Streamline decision-making and accelerate deal conversion speed



Targeted Selling Tools
Match customer needs with industry-leading product & service offering

- Investments made over the last two years to accelerate growth and increase efficiency of a Sales Team playing to win
- Drive accountability and disciplined execution of selling process across all regions and customer segments

UNLOCKING SALESFORCE PRODUCTIVITY

Refinish | Key Takeaways

- 1  Global market leader with significant growth opportunities
- 2  New product offerings targeted at mainstream/economy customers
- 3  Expanding market access in under-represented geographies
- 4  Investing in digital innovation to accelerate growth



Q&A



Break

A photograph of an industrial paint shop. Several robotic arms, covered in white protective sleeves and yellow gloves, are positioned around a white car body. The car is on a conveyor belt. The background shows the interior of a factory with various equipment and lighting. The overall scene is brightly lit, with a warm, yellowish tint.

Industrial Growth Vectors

Shelley Bausch | SVP, Global Industrial Coatings

Key Messages | Industrial Growth Vectors

- 1 Strong and growing global market presence** with a wide range of customers
- 2 Clear sustainability tailwinds** across the portfolio
- 3 Expansive growth opportunities** within attractive end markets and in targeted adjacencies
- 4 Well-positioned to capture new market opportunities** by leveraging our innovation, global product line and best-in-class technical service

STRONG FOUNDATION AND CAPABILITIES FOR ABOVE MARKET GROWTH

Industrial Coatings Snapshot

General Industrial

- Appliances
- Architectural Extrusions
- Coil Coatings
- Heavy Machinery
- Oil & Gas
- Storage and Fencing
- Structural Steel

Building Products

- Doors, Frames, and Trim
- Furniture
- Kitchen Cabinets
- Residential Siding
- Wood and Luxury Vinyl Flooring

Energy Solutions

- Distribution Transformers
- Electric Vehicles
- Energy Storage
- Power Generation
- Power Tools
- Wind Turbines



14,000+
Customers

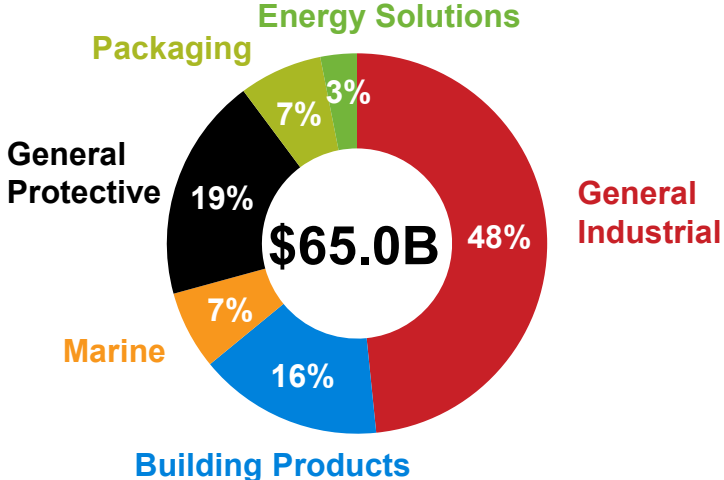
40
Manufacturing Sites

90+
Countries

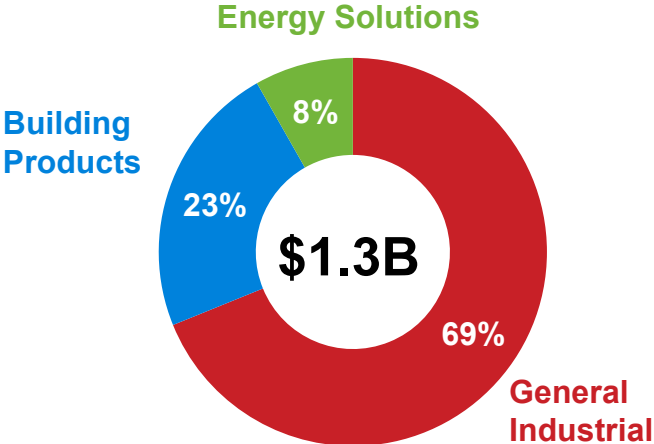
GLOBAL PRESENCE WITH LARGE AND DIVERSE CUSTOMER BASE

Significant Growth Opportunities Across All Markets

Global Industrial Coatings Market



Axalta Industrial Coatings 2021E Net Sales



Market Position Expansion

- Successful track record of organic and inorganic growth; ~5% organic growth CAGR 2016-2019
- Accelerated organic growth plans based on:
 - ✓ End-market strength and accelerated global industrial production rates
 - ✓ Innovation-driven and sustainable product solutions leveraged globally
 - ✓ Faster growth in Asia based on existing and adjacent markets
 - ✓ Penetration of targeted adjacent segments
- M&A drives step-change opportunities in both core and adjacent markets

1. Net Sales as reported, excluding the divested China powder JV

Sustainable Solutions are a Macro Growth Driver

- **Increased demand for sustainability** and climate improvement is creating new markets
- **Sustainability impacts product design**, production and application

Powder Coatings Advantages

- No VOCs and **recommended by EPA**
- **High transfer efficiency** and reclaim/reuse of overspray
- **Reduction in cost and energy use** with single coat and low cure technology
- **Durability of performance** lengthens product life cycle

Sustainable Powder Coatings Technologies



Recycling program for use in automotive parts



Technology reduces PVC use for fencing, increases durability and decreases risk from harmful fumes



Technology reduces heat accumulation from the sun in dark coated buildings

WE ARE A CLEAR LEADER WITH MULTIPLE POWDER COATINGS SOLUTIONS

Our Sustainability Advantage | Powder Coatings



The most complete suite of thermoset and thermoplastic chemistries for virtually any end-market application



Global footprint with 16 manufacturing sites in all key geographies offers best-in-class supply and quality assurance

Industry leading brands in numerous end markets

Alesta[®]

Decorative powder coatings

Nap-Gard[®]

FBE powder coatings

Abcite[®]

Thermoplastic powder coatings

Plascoat[®]

PPA571 thermoplastic coatings

Clear Growth Strategy



Innovation Driven Growth

- Growth algorithm starts with voice of the customer
- Investments in new product and service platforms to address key customer challenges



Targeted Markets

- Significant white space across all served markets with options to diversify into other markets
- Growth from attractive markets and targeted adjacencies with aligned value propositions



Geographic Expansion

- Leveraging regional capabilities to expand into new geographies
- Asia investment in technology development and footprint expansion



M&A

- Strong history of acquisition integration and leverage
- Geographic, technology and near adjacency pipeline with strategic opportunities in Asia and Europe

MULTIPLE OPPORTUNITIES TO DRIVE SIGNIFICANT ABOVE MARKET EXPANSION

Innovation Platforms Driving Growth



GLOBAL GROWTH FOCUS

Asia & Adjacent Market Expansion

- Construction and Structural Steel
- General Metal Finishing
- Heavy Machinery
- Oil & Gas
- Protective Coatings

Expansion in Europe and Asia

- Doors, Frames and Trim
- Furniture
- Kitchen Cabinetry
- Residential Siding
- Wood and Luxury Vinyl Flooring

Expand with Market Acceleration

- Electrification demands in automotive: motors, battery and storage
- Sustainable energy applications in wind and solar

TECHNOLOGY PLATFORMS

- Anticorrosion and durability advancements in product and delivery
- Metallic bonding process and product innovation
- E-coat innovation in edge protection with lower environmental impact

- Multi-substrate and multi-cure coating systems for innovative building products and flooring
- Powder coating design for wood alternatives
- Color Choice™ custom color development system

- Thermally conductive and flame retardant casting compounds
- Impregnating resins and electrical steel coatings for higher motor efficiency
- Battery and motor containment coatings for dielectric and heat management properties

FOCUSED ON RAPID NEW PRODUCT COMMERCIALIZATION AND EXECUTION

Expansive Growth Opportunities within Focused Markets



General Industrial



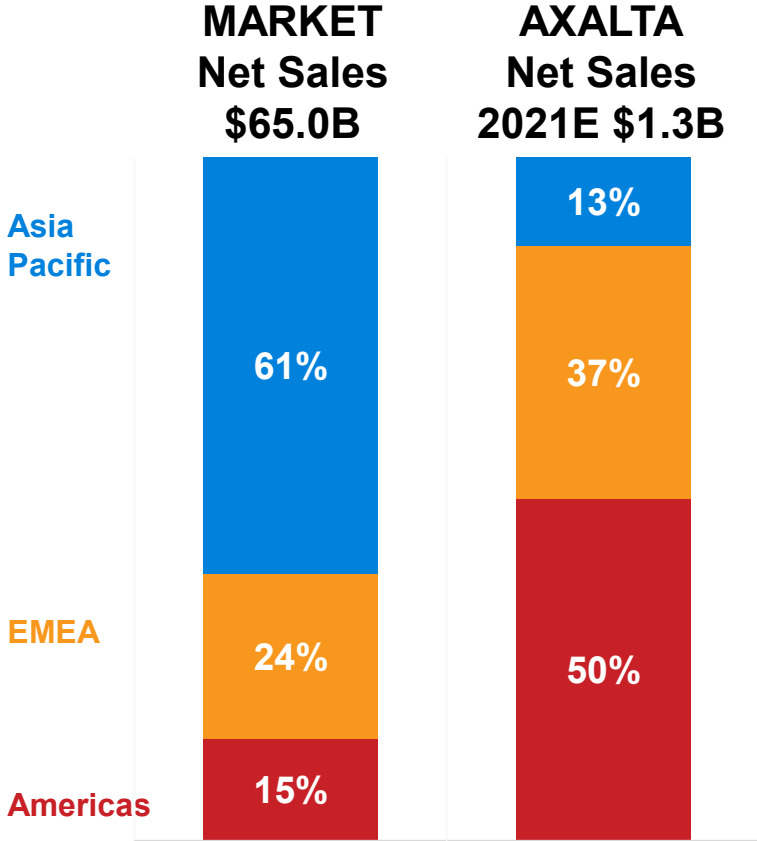
Building Products



Energy Solutions

Global Market Size	\$31B	\$10B	\$2B
2021E Net Sales	~\$890M	~\$270M	~\$138M
% Share	2.9%	2.7%	6.9%
Market Drivers	<ul style="list-style-type: none"> ▪ Commercial building, construction and infrastructure growth ▪ Residential construction and roofing trends (metal) ▪ Travel preferences: recreational vehicle ▪ Automotive builds ▪ Oil & Gas recovery 	<ul style="list-style-type: none"> ▪ Single and multi-family housing starts ▪ Repair and remodeling spend ▪ Existing home sales ▪ Commercial building and construction 	<ul style="list-style-type: none"> ▪ Electrical industry production ▪ Energy trends in wind and solar ▪ Electric vehicle builds, technology requirements and changing infrastructure ▪ Appliance and household goods for new construction and repair / remodel

Significant Opportunity to Grow Geographically



- Asia Pacific market largest and fastest growing
- Eastern Europe, MENA and Mexico strong growth areas
- Must leverage our global products; search and reapply
- Inorganic opportunities targeted



M&A | By the Numbers

ADDED

~\$490M

in Annual Net Sales
since 2016

ON-BOARDED

~3,000

New Customers

INTEGRATED

14

Manufacturing Sites



SSIM

CHINA

Leading producer of wire enamel products for the China market



NA

Leading independent supplier of coil coatings in NA



NA

Leading regional manufacturer of industrial and refinish coatings



NA

Leading storage tank, structural steel, and OEM coatings manufacturer

valspar wood

NA / LA

Leading provider of coatings for the OEM and aftermarket Industrial Wood Markets



EMEA / AP / NA

Leading manufacturer of machinery, general industrial, O&G and glass coatings



EMEA

Leading global supplier of thermoplastic powder coatings, based in the U.K.

Key Markets for Growth

Commercial Construction

Building Products

Energy Solutions

Industrial Coatings

CONSTRUCTION



Our Winning Playbook | Construction

WHERE WE PLAY

SMALL / MID SCALE COMMERCIAL CONSTRUCTION

- Apartment / Multi-Family Housing
- Office and Retail
- Aviation (Airports)
- Municipal Buildings / Schools
- Gymnasiums

LARGE SCALE COMMERCIAL CONSTRUCTION

- High Rise Buildings
- Hotels / Resorts / Casinos
- Higher Education
- Manufacturing / Warehouses
- Professional Sports Venues

HOW WE WIN

DIFFERENTIATED PRODUCT PORTFOLIO

- Total powder (including thermoplastic) and liquid solutions
- Diverse technologies delivering sustainable and efficient applications
- Innovation platforms to enable growth via hyper-durability and substrate expansion

BEST-IN-CLASS SERVICE

- Fast response technical and lab service for customized solutions and advanced color expertise
- Approved applicator program and warranties
- Production and supply chain agility

GLOBAL PROJECT MGMT TEAM

- Key account management and specification team
- Multi-touch project management with global reach
- Leading color trend development with architects and designers at our 6 color experience rooms

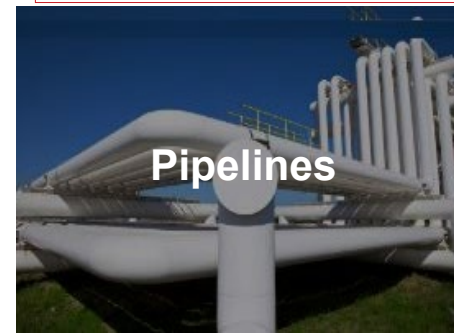
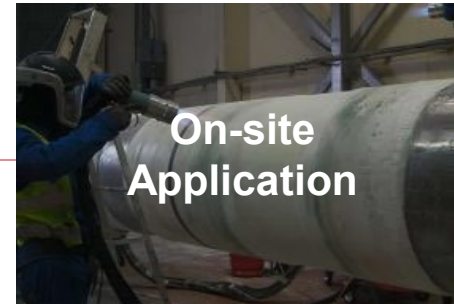
Case Study | Abcite® Flame Spray

Client/Industry Need

- On-site powder coating solution for large metal structure protection (infrastructure, Oil & Gas, pipelines)
- On-site repair with anticorrosion thermoplastic solution

Unique Axalta Capabilities

- Abcite® Flame Spray provides unique environmentally friendly thermoplastic powder solution
- Co-developed between Axalta and equipment supplier IBIX
- Unique repair solution to address corrosion protection



Outcomes

- ✓ Total solution and ease of use
- ✓ 90% reduction in capital investment for preheat
- ✓ Cycle time reduction from 1 week to 2 days
- ✓ One-layer vs multi-layer liquid system
- ✓ Extreme corrosion protection with zero VOC
- ✓ On-site coating and/or repair option enables consistent technology use, reducing corrosion risk

AXALTA OFFERS TOTAL CUSTOMER SOLUTIONS WITH MULTIPLE TECHNOLOGIES

Our Winning Playbook | Building Products

WHERE WE PLAY

RESIDENTIAL BUILDING

- Siding, Exterior Molding, Doors and Panels
- Wood and Vinyl Flooring
- Shutters and Window Fashion

KITCHEN CABINETS

- Stock Semi-Custom and Custom Cabinets
- Bathroom Vanities

FURNITURE

- Home, School and Office Furniture
- Hospitality
- Luxury Jets

HOW WE WIN



- Proven interior / exterior technologies across a variety of substrates
- Sustainable products:
 - ✓ Interior / Exterior Waterborne Systems
 - ✓ Low VOC Solventborne Systems
 - ✓ Zero Formaldehyde Systems
 - ✓ Polyurethane Systems
 - ✓ Ultraviolet Cure Systems



- Leading color trend development and efficient execution across multiple markets
- Deep customer relationships with industry leaders
- Application engineering expertise to maximize customer process performance and efficiency

Case Study | Unrivaled Pre-Finish System

Client/Industry Need

- Aftermarket building pre-finish market struggles with application issues, claims for weatherability and color retention

Unique Axalta Capabilities

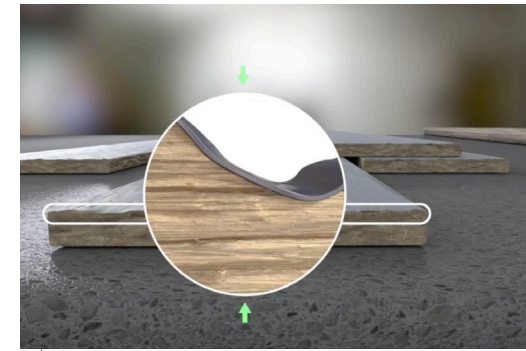
- 35+ year history with leading siding OEMS
- Extensive exposure testing program on multiple substrates
- State of the art R&D and application labs to design system
- Expert application engineering and on-line technical support



- ✓ Gorgeous aesthetics, including two-tone/stain looks
- ✓ More consistent coating surface
- ✓ Most effective color retention across extended weathering testing

Outcome / Results

- ✓ Consistently superior application quality versus competition
- ✓ Outstanding weatherability; 2x better color retention versus key competitors - 30-year warranty on key faults
- ✓ Coverage rate 15% greater than leading competitors
- ✓ Near infinite color pallet of both opaque and stain finishes



Our Winning Playbook | Energy Solutions

WHERE WE PLAY

HOW WE WIN

Wind Turbines



Distribution Transformers



Storage Batteries



Electric Vehicles



OPPORTUNITIES


- Global leader in impregnating resins used in multiple components
- Wire enamel, electrical steel coatings, impregnating and powder coatings for electric protection, thermal properties and corrosion protection
- Wire enamels and impregnating resins for transformer coils
- Electrical steel coatings for core and bridge; durable coatings for metal housing
- Approved supplier of e-coat and insulating powder coatings for EVs and emerging home standby power uses
- Coatings for battery housing, cell cans, and connecting bus bars
- Leading supplier in impregnating resins and corona resistant wire enamels
- Coatings for wire enamels, impregnating resins and electrical steel coatings in motors for EV drive trains and electrical devices

SOLUTIONS

- Enable longer operating time and higher energy gains
- Ensure power supply continuity and reduce downtime
- Increase safety and support initiatives for rapid charging
- Reduce greenhouse gas emissions through higher efficiency

LEADING SUPPLIER AND EXPERTISE TO DELIVER SUCCESSFUL APPLICATION

Market Trends and Opportunities for Energy Solutions

TREND	END USES	SOLUTIONS AND IMPACT
New Mobility	<ul style="list-style-type: none"> ▪ Electric Vehicles ▪ Public Transportation 	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Electrical Steel Coatings</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Wire Enamels</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">Impregnating Resins and Casting Compounds</div> </div> 
Health & Comfort	<ul style="list-style-type: none"> ▪ Air Conditioning ▪ Heating Systems ▪ Home Appliances 	
Neo-ecology	<ul style="list-style-type: none"> ▪ Greenhouse Gas Emissions Reduction ▪ Renewable Energy ▪ Lowered Environmental Impact 	
Urbanization	<ul style="list-style-type: none"> ▪ New Models of Living ▪ City Mobility ▪ Infrastructural Upgrading 	

\$2B ENERGY SOLUTIONS MARKET WITH DOUBLE DIGIT GROWTH

Case Study | Motor Coatings

Client/Industry Need

- Electric motor efficiency improvements and fail-safe operation

Unique Axalta Capabilities

- Thermally Conductive Impregnating Resins and Casting Compounds
- Dielectric Powder for skateboard coatings
- Corona resistant Wire Enamels with long lifetime and high flexibility
- Self-bonding Electrical Steel Coatings
- Thin-steel Coatings and Adhesives
- Modular toolbox for design innovation



Outcome / Results

- ✓ 10% higher efficiency improvement from Voltatex® 4224 
- ✓ Weight and cost saving options
- ✓ Improved internal heat management
- ✓ Longer ranges of electric vehicles
- ✓ Reduction of greenhouse gas emissions



Industrial | Key Takeaways

- 1  Strong and growing global market presence with a wide range of customers
- 2  Clear sustainability tailwinds across the portfolio
- 3  Expansive growth opportunities within attractive end markets and in targeted adjacencies
- 4  Well-positioned to capture new market opportunities by leveraging our innovation, global product line and best-in-class technical service



Mobility Growth Vectors

Hadi Awada | SVP, Global Mobility

Key Messages | Mobility Growth Vectors

1

Strong team in place to grow above market and capture substantial growth in underserved markets

2

Well-positioned with leading technology portfolio aligned to given mega trends and growing addressable markets

3

Significant opportunity to further monetize Axalta Advantage and grow recurring services revenue

4

Organic growth opportunities through existing customer base especially in Asia Pacific

STRONG FOUNDATION AND CAPABILITIES FOR ABOVE MARKET GROWTH

Mobility At A Glance

3,500
Employees

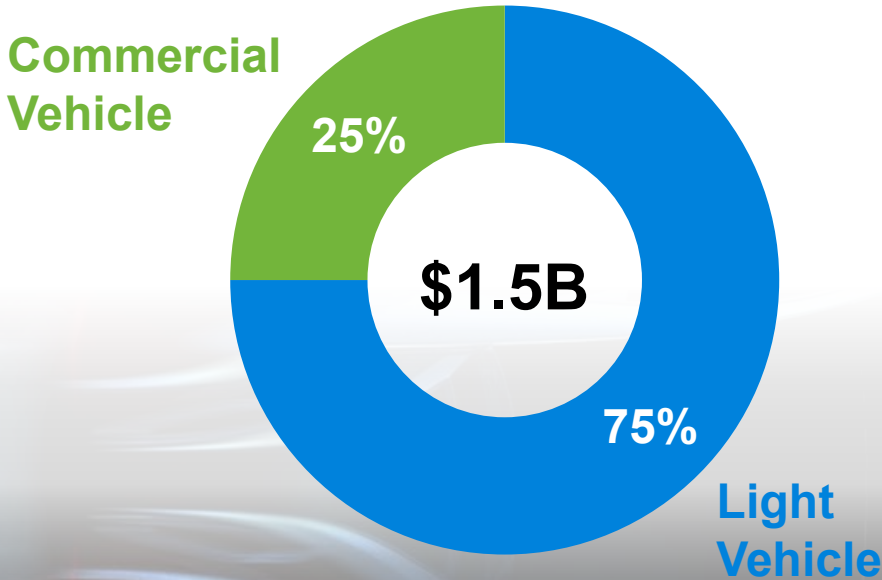
20
Manufacturing
Facilities

4
Technology /
R&D Centers

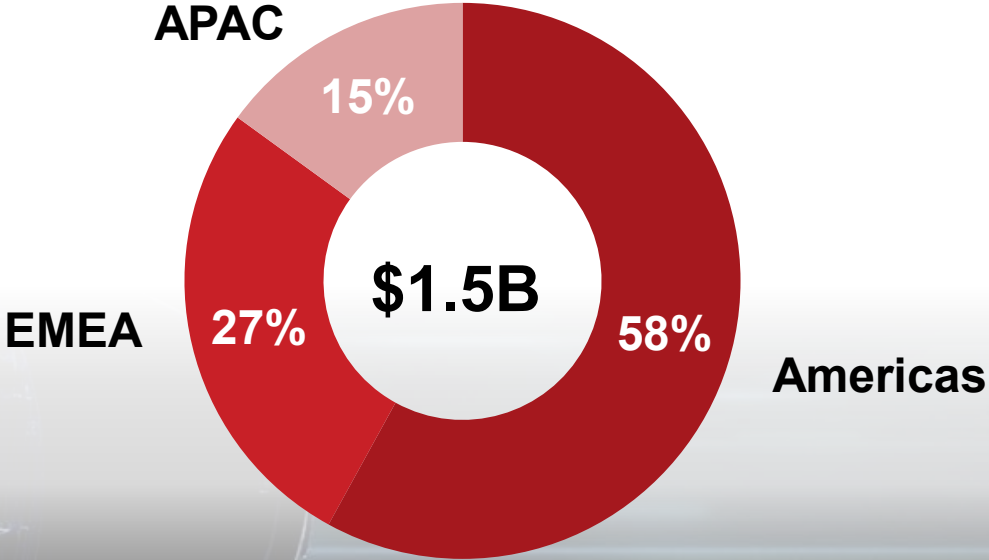
#1
in Truck & Bus

#2
in Light Vehicle

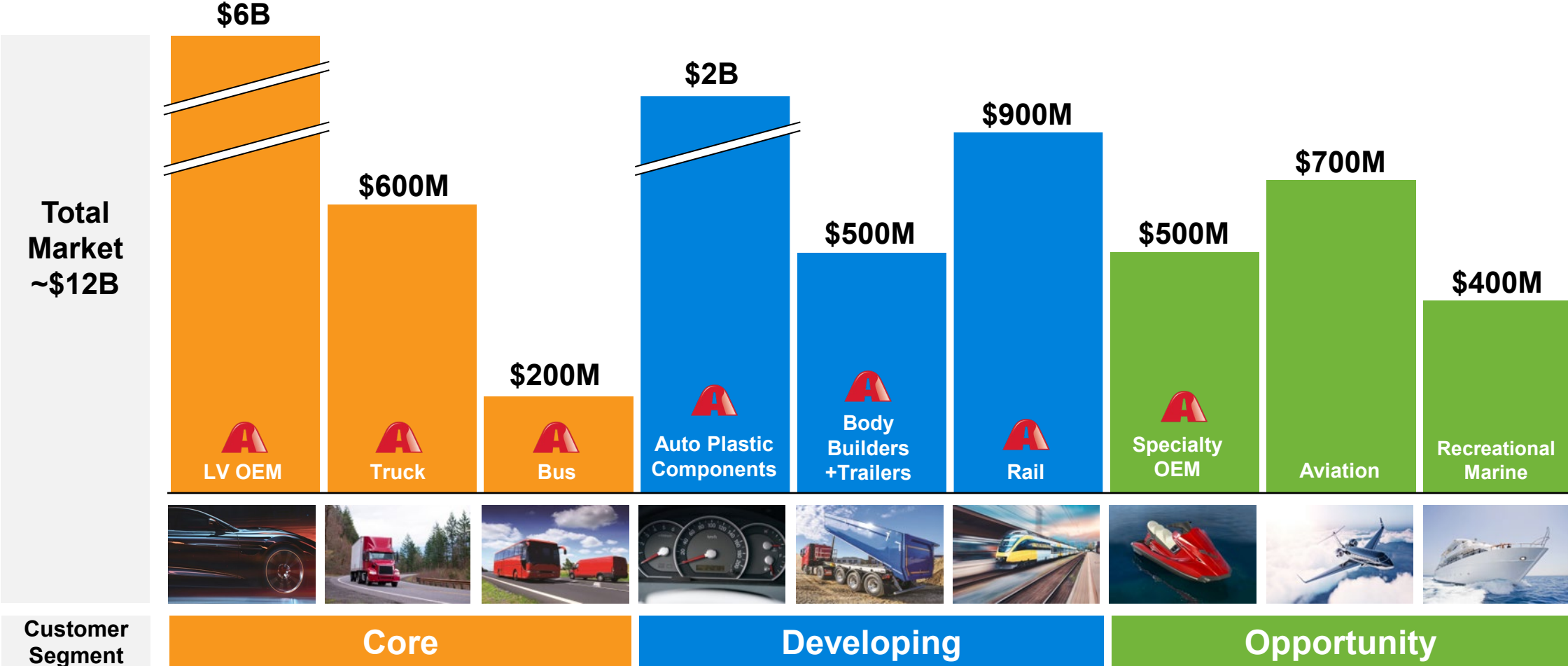
2021E Net Sales by Segment



2021E Net Sales by Region



Current Mobility Market Represents ~\$12B Today



Source: Orr & Boss, IRFAB, Global Market Insights, Axalta estimates

Megatrends Drive \$5B of Market Opportunities by 2030



\$3.5B **SUSTAINABILITY**



\$300M **AUTONOMOUS DRIVING**



\$150M **SHARED MOBILITY**



\$400M **CUSTOMIZATION & PERSONALIZATION**



\$650M **INDUSTRY 4.0**

Sustainability

↑ **CO₂**
REGULATIONS
driving auto industry

~30
MILLION
Battery EVs by 2030

25
START-UP OEMs
for vehicles

Challenges:

- Batteries and electric motors need protection to enhance performance
- Achieving lower greenhouse gas footprint

Our Solutions:



Core Mobility

- Best-in-class waterborne consolidated systems



Advanced Mobility

- Broad bake E-coat for EVs
- EV system coatings
- Biobased materials

2030 Additional Market Opportunity
~\$3.5B¹

EV TECHNOLOGY DRIVING THE NEED FOR BATTERY AND ELECTRIC MOTOR COATINGS

1. Axalta internal company estimate

Autonomous Driving

FULL AV
(e.g., robo-taxis)
adoption ↑ ~2035

~\$30 BILLION
spent on AV sensors
and ADAS components¹

UP TO 29
sensors in an AV²

Challenge:

- Autonomous Vehicles must “see and be seen” under all conditions while maintaining exterior aesthetics

Our Solutions:



Advanced
Mobility



Multi-layer
modeling
technology



System to create
LiDAR-compatible
coatings



**2030 Additional Market
Opportunity
~\$300M³**

SENSOR COMPATIBLE COATING TECHNOLOGY ADDRESSES MARKET NEED

1. IBT, Dawn Geske: A look at investment in self-driving cars

2. Yohann Tschudi and Guillaume Girardin, Road to Robots, Sensors and Computing for Autonomous Vehicle, 6/26/2018

3. Axalta internal company estimate

Shared Mobility

**DISRUPTED
BY PANDEMIC**

~16%
of miles traveled
in 2040¹

**↑ CO₂
REGULATIONS**
driving auto industry

Challenges:

- Interior surfaces that are safe from disease-causing microbes
- Color and branding options to help Mobility-as-a-Service providers differentiate themselves

Our Solutions:



Advanced Mobility

- Anti-microbial coatings
- Specialty fleet colors
- Logos and graphics

**2030 Additional Market
Opportunity
~\$150M²**

DURABLE COATINGS ADDRESS SAFETY AND INCREASED VEHICLE UTILIZATION

1. BNEF EVO Report, July 2020
2. Axalta internal company estimate

Customization & Personalization

2x

DEMAND

vs. current two-tone
roof sales¹

>80%

of two-tone demand
linked to black roof and
pillars configuration

**SPECIALTY &
CUSTOM COLORS**

on demand

Challenge:

- Market demand for customization is unmet due to paint shop capacity constraints

Our Solutions:



Core Mobility

- One pass using solventborne monocoat



Advanced Mobility

- Color-on-demand within existing paint shop
- Long-term: digital paint application

**2030 Additional Market
Opportunity**

~\$400M²

MEETING THE CONSUMER'S DEMANDS WITHOUT STRAINING THE PAINT SHOP

1. Axalta internal survey
2. Axalta internal company estimate

Industry 4.0

DIGITIZATION OF DATA

↑ paint shop efficiency

↑ Improved sustainability

\$600

Average paint shop cost to
paint a vehicle

Challenges:

- Decline in paint shop expertise from reduced investment and attrition
- Mobility upstarts rush to build their paint process understanding
- Return on paint shop capital investment

Our Solutions:

- Paint shop total Cost-to-Coat/CO₂ Calculator
- Line Service Excellence tracking quality

2030 Additional Market
Opportunity

~\$650M¹

LEVERAGING TECHNOLOGY AND EXPERTISE TO REDUCE TOTAL COST-TO-COAT AND CO₂ FOOTPRINT

Creating Value Beyond Color and Protection



Core Mobility Solutions

Beautification / Color

- Basecoats
- Clearcoats

Corrosion Protection

- E-coat
- Powder



Advanced Mobility Solutions

Specialized Solutions

- Customization
- Digital paint
- Two tone

Enhanced Functionality

- LiDAR & Radar
- Thermal
- Antimicrobial



Axalta Advantage

Best-in-class Service

- Paint shop service and expertise

Core Mobility Solutions

Proven Science Is Our Core

Excellence:

- Engaged and dedicated employees that react quickly to customers' needs

Expertise:

- Decades of experience at OEM sites globally; 150+ years of coatings innovation and service solutions
- Highly engineered paint systems including conventional, consolidated, waterborne, solventborne and E-coat technologies
- Product development with sustainability at the forefront

Reliability:

- Reliable partners with our customers to ensure dependable and productive outcomes

Services Provided:



Best-in-class color technology



Corrosion protection



Superior performance



Driving Growth with Advanced Mobility Solutions

Coatings Solutions for Future Mobility

- Addressing mobility needs both inside and outside of the paint shop
- Functional and beautiful product solutions
- Game changing systems in coatings process
- Environmental sustainability built into product and process development
- Axalta is partnering with customers to offer solutions which will define what the future of mobility coatings looks like

Services Provided:

For the paint shop:

- ✓ Sustainable via CO₂ and energy modeling
- ✓ Personalization via custom color and digital painting for two-tone
- ✓ Broad bake E-coat and consolidated processes including single bake solutions



To the functional solutions of the products we support:

- ✓ Autonomous vehicles via radar and lidar
- ✓ Anti-microbial surfaces
- ✓ Solar control
- ✓ Electrical and thermal isolation for EV
- ✓ Bio-based material



Axalta Advantage

Delivering World Class Customer Service

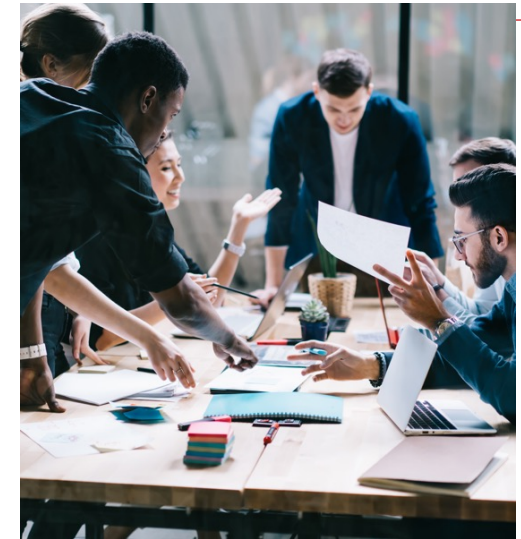
- Leading global supplier to OEMs and tiers
- Customers value Axalta technology, footprint and service capability
 - #1 ranked service team¹ with industry leading problem solving and execution

Axalta Advantage Key Capabilities:

Competence, transparency, maximizing uptime/FTQ, quality, leveraging global best practice, tailored/tiered solutions, training, specification optimization, launch support, Industry 4.0

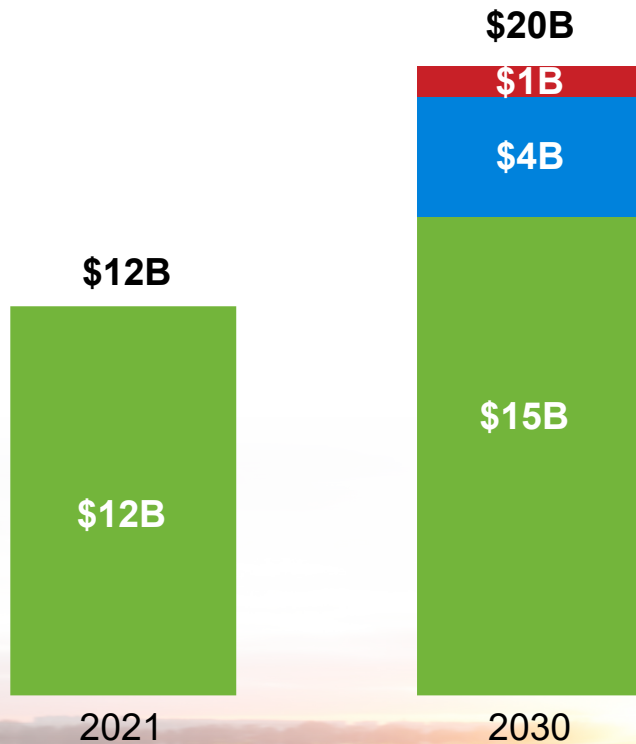
Services Provided:

- ✓ Advanced application support
- ✓ Process improvement
- ✓ Troubleshooting
- ✓ Paint shop cost and CO₂ modeling



Well-Positioned to Capture Growth

Mobility Coatings Market Growth



 **Axalta Advantage**

- Line Service Excellence
- Paint shop cost / CO₂ Modeling

 **Advanced Mobility Solutions**

- EV motor/battery
- Broad Bake E-coat
- Digital Paint
- Radar/Lidar compatible coatings
- Color-on-demand

 **Core Mobility Solutions**

- Best-in-Class Consolidated Systems
- High solids solventborne coatings
- Monocoat basecoats

Mobility | Key Takeaways

1



Organic Growth Opportunity

- Growth opportunities via existing customer base and products
- China growth through improved COEM relationships and partnerships

2



Trends

- Market trends are favorable to coatings, opening \$5B in additional market opportunities by 2030
- Investments in products and technologies well aligned to capture this market growth

3



Axalta Mobility

- We have established a tremendous team that will enable us to achieve our vision
- Our shift to Mobility will position Axalta properly in the markets we serve



Enabling Growth with Operational Excellence

Barry Snyder | SVP & Chief Operations and Supply Chain Officer

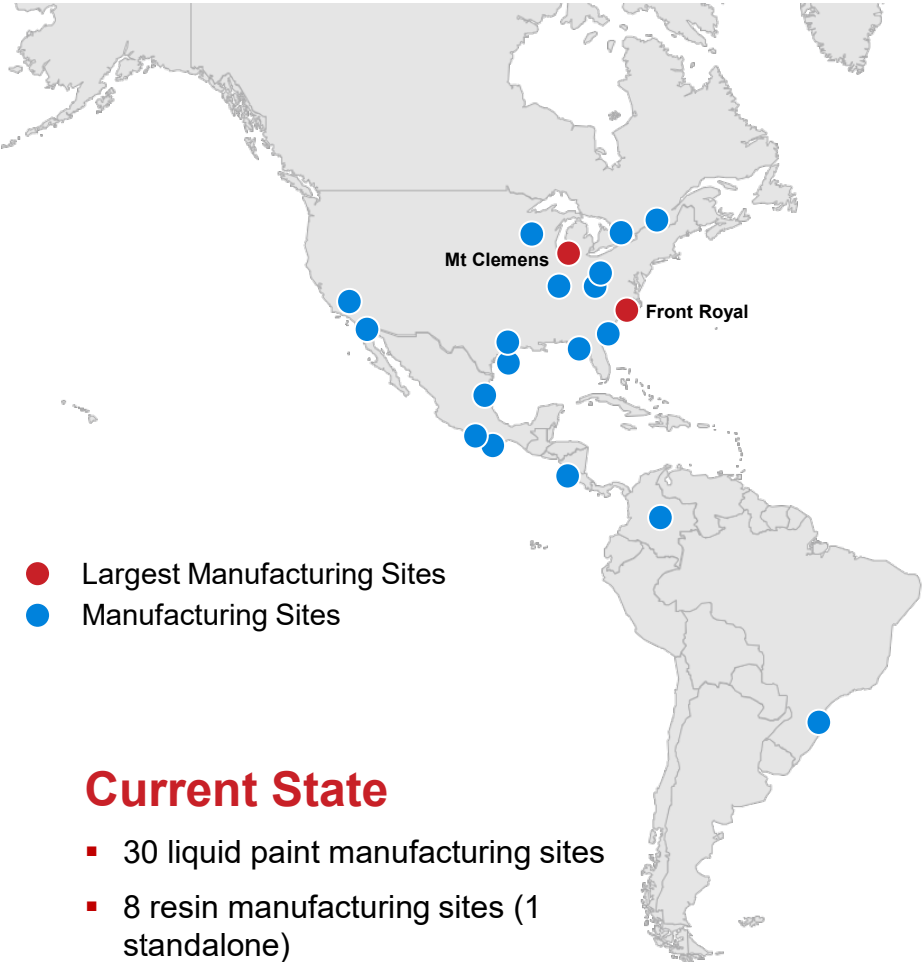
Key Messages | Enabling Growth with Operational Excellence

- 1 **Strong foundation** and capabilities for growth
- 2 Enabling growth through **global network and rapid new product introduction**
- 3 Continuous improvement focus to drive **operational excellence** and improving cost, quality and service
- 4 Creating a **flexible platform** that can adapt to changing customer needs and new verticals



BUILDING ON A SOLID FOUNDATION TO MEET THE FUTURE NEEDS OF OUR GROWING BUSINESS

Global and Diverse Operating Footprint



Current State

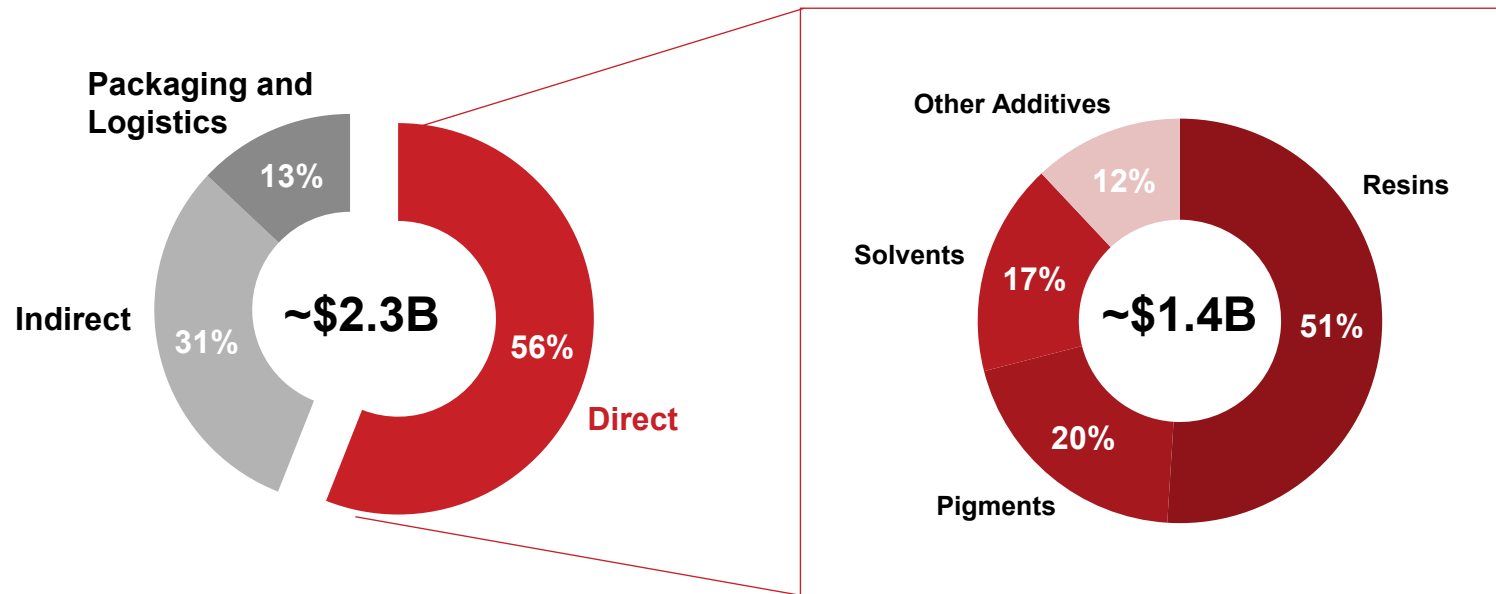
- 30 liquid paint manufacturing sites
- 8 resin manufacturing sites (1 standalone)
- 16 powder manufacturing sites
- 223 warehouses (owned and 3PL)

Opportunities

- Deepen footprint in Asia
- Integrate and simplify acquired networks
- Adapt capabilities to shifting customer requirements
- Retool distribution network to improve service and cost

Procurement Is a Competitive Advantage

Total Procurement Spend: ~\$2.3B¹



Raw Material Spend

- Top 10 raw materials represent ~15% of overall direct procurement spend
- ~1,000 vendors and 5,000+ SKUs managed

Differentiated Approach

- “Matched-pairs” concept
- Supplier development process

Opportunities

- Further simplification and standardization
- New supplier creation
- Increased spend under management

CONTINUOUS IMPROVEMENT CREATES COST STRUCTURE ADVANTAGE

Journey of Continuous Improvement

	2019-2021	Future
Safety & Quality	<ul style="list-style-type: none"> ▪ Advance safety journey ▪ Quality fundamentals improve 	<ul style="list-style-type: none"> ▪ Maintain top quintile safety record ▪ Quality tailored to customer expectations ▪ In-process / statistical quality ▪ End-to-end quality
Operational Excellence & Continuous Improvement	<ul style="list-style-type: none"> ▪ Restructured leadership team ▪ AOE rollout to shop floor ▪ Expanding Operational Excellence 	<ul style="list-style-type: none"> ▪ Deepen rollout of automation and AI tools in production ▪ Improved sub-function performance and cost ▪ S/4HANA enablement
Network	<ul style="list-style-type: none"> ▪ Mechelen closure ▪ Wuppertal Phase I 	<ul style="list-style-type: none"> ▪ North America network optimization ▪ Expand footprint in Asia ▪ China footprint refinement ▪ Wuppertal Phase II
Supply Chain and Procurement	<ul style="list-style-type: none"> ▪ Supply Chain carve-out ▪ Globalize procurement ▪ EMEA Logistics and Powder network optimization 	<ul style="list-style-type: none"> ▪ Leverage low-cost manufacturing ▪ Simplify distribution network; local for local production ▪ Reduce product line complexity

AOE | Deploying Axalta Way into Operations



Axalta Operational Excellence (AOE)

- Shop floor engagement and refinements
- Systematic continuous improvement
- Step-change moves
- Integration and optimization of acquisitions

Progress Made

- AOE suite of tools defined and deployed to major sites resulting in rapid problem resolution
- Continuous improvement portfolio driven within manufacturing processes
- Portfolio of footprint and process improvement opportunities defined and in execution

Future Priorities

- Reduce manufacturing and logistical cost structure
- Improve inventory metrics
- Greater consistency and predictability in customer service
- Quality “built-in” and lower cost to deliver

Operations Strategy Connects Key Deliverables to Business Growth

	2019-2020	2021-2022
Safety & Quality	<ul style="list-style-type: none"> ▪ Top-decile safety performance in 2020 ▪ Significant improvement in customer satisfaction 	<ul style="list-style-type: none"> ▪ Mature culture, systems, and processes ▪ Evolve to quality culture across the enterprise
Operational Excellence & Continuous Improvement	<ul style="list-style-type: none"> ▪ Axalta Operational Excellence deployed to 17 manufacturing sites ▪ Restructured leadership team at 2 levels; upgraded talent in key positions 	<ul style="list-style-type: none"> ▪ All sites deployed; AOE beyond manufacturing ▪ Lean mindset drives the functions at every level
Network	<ul style="list-style-type: none"> ▪ Initiated 2 plant closures (Canada/UK) ▪ Retooled China footprint 	<ul style="list-style-type: none"> ▪ Network optimization defined & implemented
Supply Chain and Procurement	<ul style="list-style-type: none"> ▪ 5% YOY Inventory reduction 	<ul style="list-style-type: none"> ▪ Drive working capital and efficiency ▪ Annual productivity improvements

Footprint and Distribution Optimization

Challenge

- Sub-optimized manufacturing footprint and distribution infrastructure
- Genk warehouse used to consolidate Mechelen and Wuppertal production for distribution to global customers

Solution

- Closed Mechelen site and consolidated production in Wuppertal

Phase 1 ✓

- Completed Mechelen closure and transfer of production



Outcome

Phase 2 (In Process)

- Wuppertal optimization
- Distribution network retool



Wuppertal Optimization

Challenge: Industry's Largest paint and resin facility

- Higher cost facility and highly complex
- Square feet: 270k m²
- Over 50 buildings

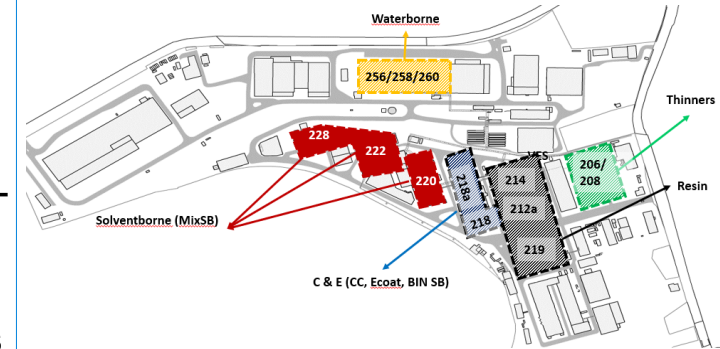
Phase 1: Implement Factory-in-Factory Concept

- Structural change improved line of sight and accountability
- Implemented in February 2020

Phase 2: Site De-Bottlenecking and Process Improvement

- Value-stream mapping across multiple work-processes and sub-units
- Improved internal and external materials handling and workflows across units

Factory-in-Factory Concept



Outcome

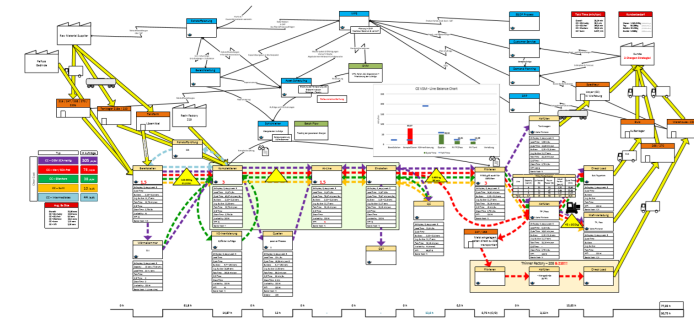
Lower plant fixed cost and greater flexibility

✓ All operational metrics improved during 2020: Right-First-Time, Productivity, Waste, etc.

✓ Targeting >15% lower plant costs

✓ Upside potential from further complexity and rework reductions

Site De-Bottlenecking and Process Improvement



Operations Network Strategy | Powder Thermosetting EMEA

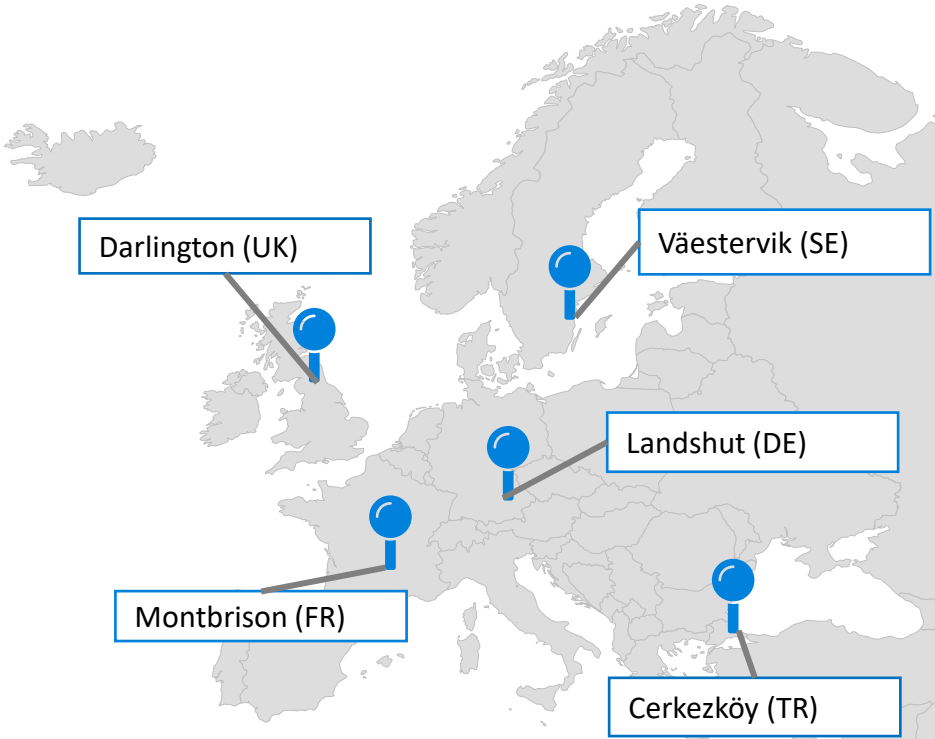
Challenge:

- Complex and dispersed EMEA powder manufacturing network
- Powder factories segregated by product line & technology
- Excess materials movement and inventories

Solution:

- Desegregate powder factories
- Optimize asset utilization to bring production closer to customers

EMEA Powder Manufacturing Network



Outcome

Flexible and low-cost network

Current 2021 status:

✓ Key capital installed

✓ Debottlenecking

✓ Production transfers underway

Supply Chain Optimization for Enhanced Customer Service

Challenge

- Highly complex and relatively inefficient tools in place to manage supply chain

Solution

- Improved demand planning
- Enhanced inventory management tools
- Retooled business policies



Outcome

Improved operating rhythm across network, connectivity and warehouse efficiency

✓ Improved Customer Service

✓ Limited impact on total inventory

✓ Simplified operations



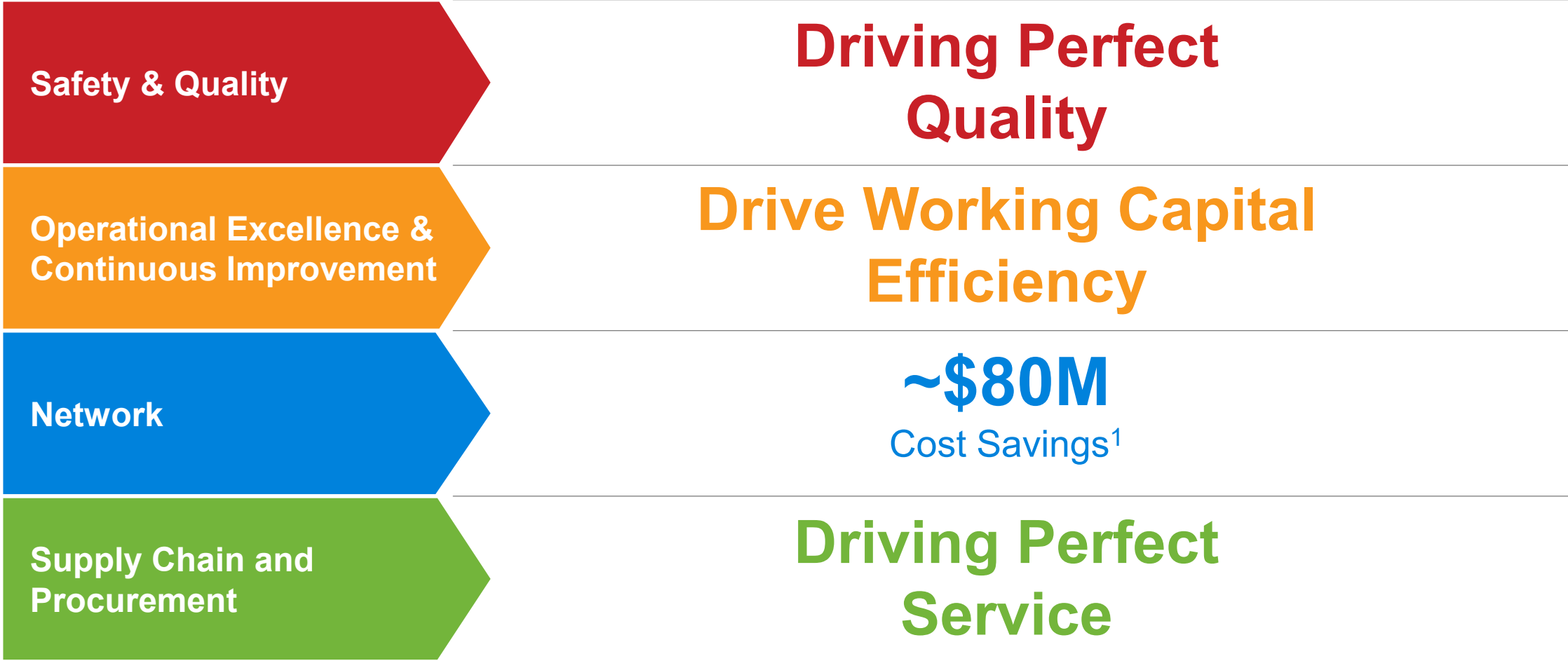
RECORD SERVICE LEVELS WITH MINIMAL INVENTORY INCREASE

Procurement Savings from Technology Collaboration

CATEGORY	OPPORTUNITY	STRATEGY	OUTCOME
Isocyanates	Expand supply base	Supplier Development	New supplier improved security of supply and reduced raw material costs by >\$20M
Site Services	Local equipment purchases	Standardize and Consolidate	Leveraged 3 rd party provider to generate 16% savings in first deployment
Resins	Market price management	Make vs Buy	Utilized internal assets to achieve lower cost position and assure 3rd party sourcing is competitive

'MATCHED' RESOURCES ACCELERATES COST IMPROVEMENT AND SUPPLY SECURITY

Continuous Improvement Mindset



1. Estimate for 2019-2024; with >25% completed to date

Operational Excellence | Key Takeaways

- 1  Strong foundation and capabilities for growth
- 2  Enabling growth through global network and rapid new product introduction
- 3  Driving focus on operational excellence to improve cost, quality and service
- 4  Creating a flexible platform that can adapt to changing needs and new verticals



Growth Guideposts and Capital Allocation Priorities

Sean Lannon | CFO

Key Messages | Growth Guideposts and Capital Allocation Priorities

1

Continuing solid financial execution track record by leveraging Axalta Way to further drive profitable growth and free cash flow

2

Executing disciplined capital allocation framework with clear priorities: organic investment, strategic M&A and share repurchases

3

Focusing on consistent performance and ROIC to create long-term stakeholder value

STRONG FOUNDATION AND CAPABILITIES FOR ABOVE MARKET GROWTH

Well-Positioned for Growth Given Demand Tailwinds through 2024



REFINISH
\$1.7B¹

Industry Demand Trends

Market recovery aligned with traffic normalization and GDP growth; 2-year tailwind expected

Net Sales
(CAGR '19-'24)

~3.5%

Net Sales
(CAGR '20-'24)

~9.5%



INDUSTRIAL
\$1.3B¹

Global industrial production recovering broadly; 6.8% IP growth 2021E

~7.0%

~11.0%



LIGHT VEHICLE
\$1.2B¹

Automotive market recovery tailwinds expected through at least 2024

~3.0%

~10.0%

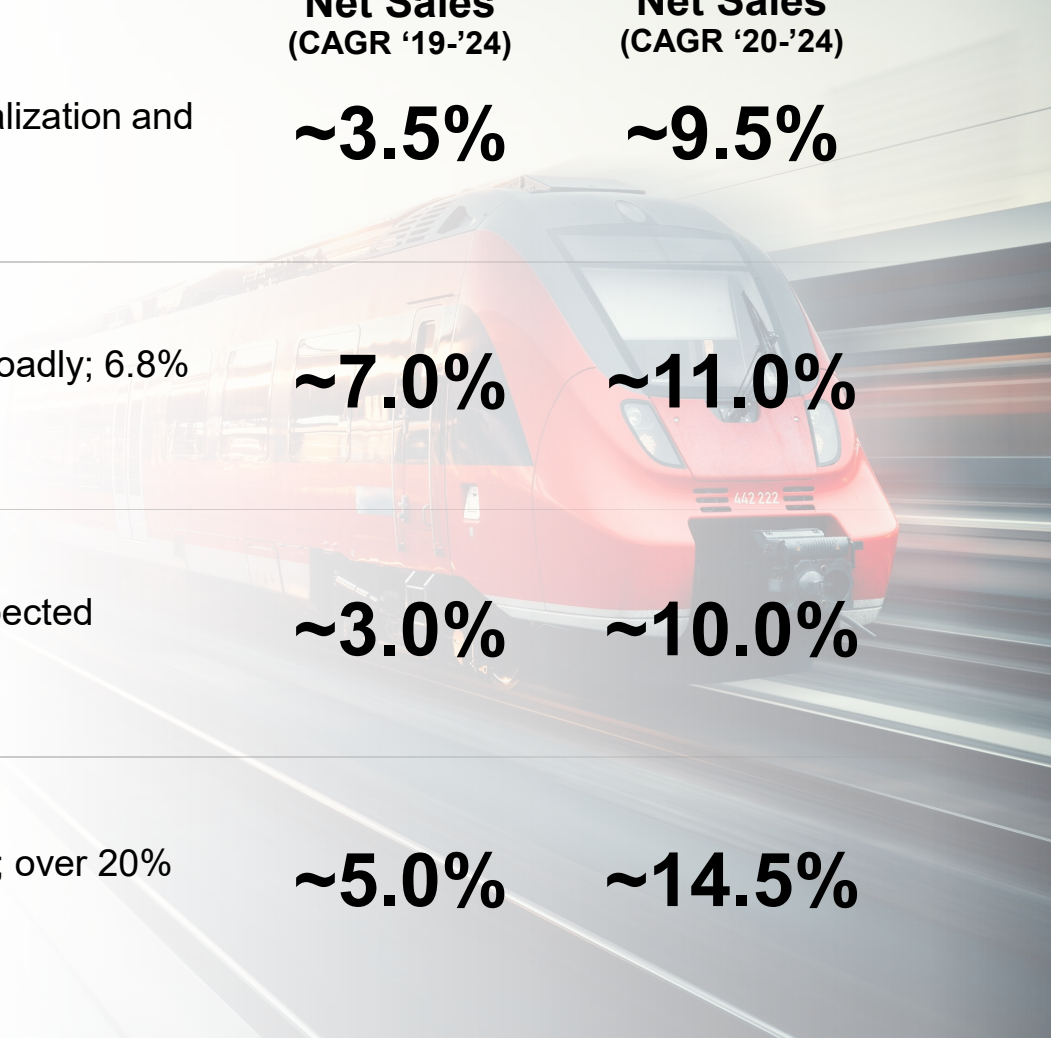


COMMERCIAL VEHICLE
\$0.3B¹

Global truck production is recovering well; over 20% YoY growth in 2021E (ex China)

~5.0%

~14.5%



A WEAKER DOLLAR WILL BENEFIT AXALTA GIVEN GLOBAL SALES BASE

1. 2021E Net Sales

Full Year 2021 Guidance

2021 TARGETS

Strong Sales Growth

- Includes ~3% FX and ~1% M&A benefit vs. 2020

Net Sales: up ~20-22%

EBIT / EPS

- 2021 EBIT and EPS growth at midpoint up 4% and 13% over 2019

Adj. EBIT: \$715-\$755M

Adj. EPS: \$1.95-\$2.10

Robust Cash Flow

- ~\$180M capex; FCF excludes impact from operational matter¹

FCF: \$455-\$495M

Other Assumptions

- D&A includes \$103M step-up D&A
- Assumes no incremental share repurchases

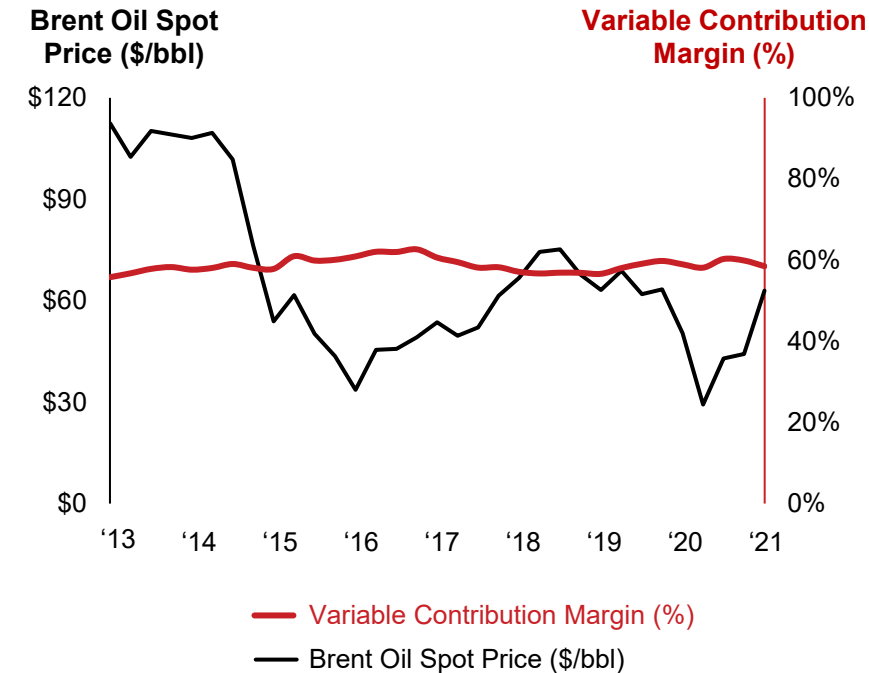
Tax Rate: ~21-22%

Interest Expense: ~\$136M

Diluted Shares: ~234M

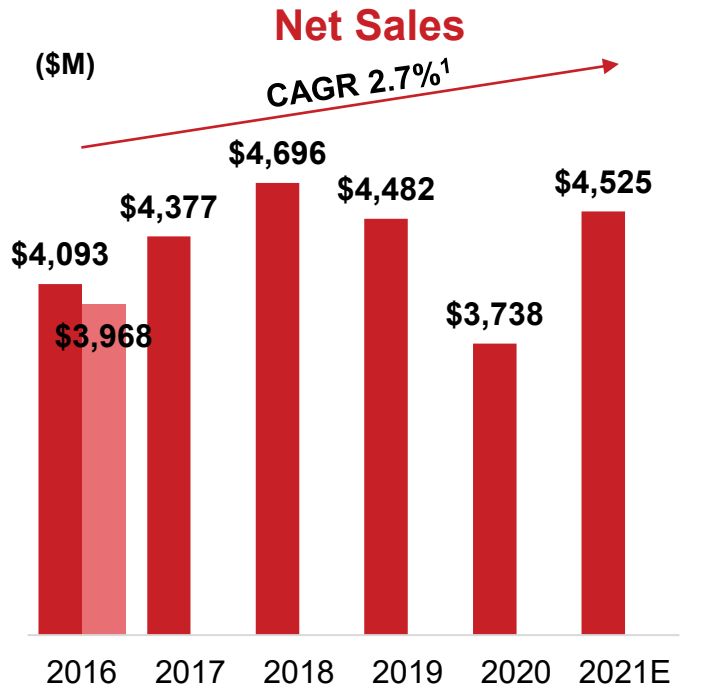
D&A: \$315M

Variable Contribution Margin vs. Brent Oil Spot Price



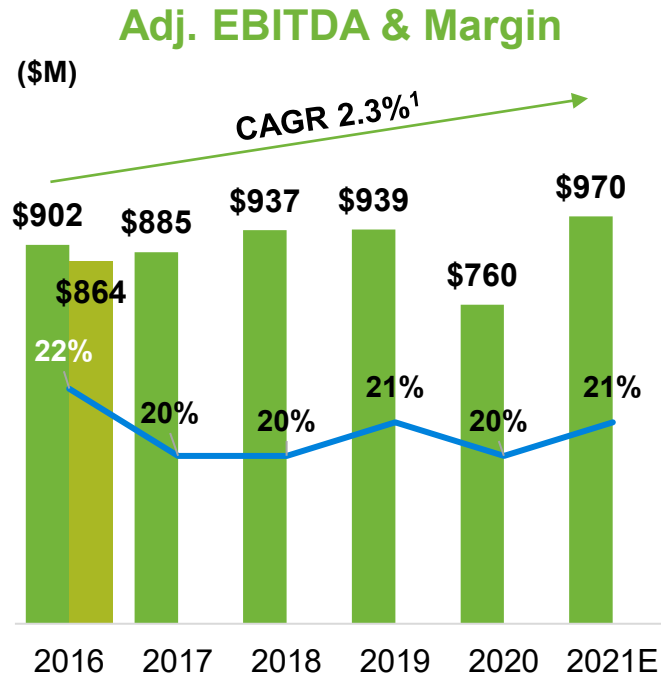
1. Detailed in 10-K and 10-Q filings with the SEC

Resilient Financial Performance



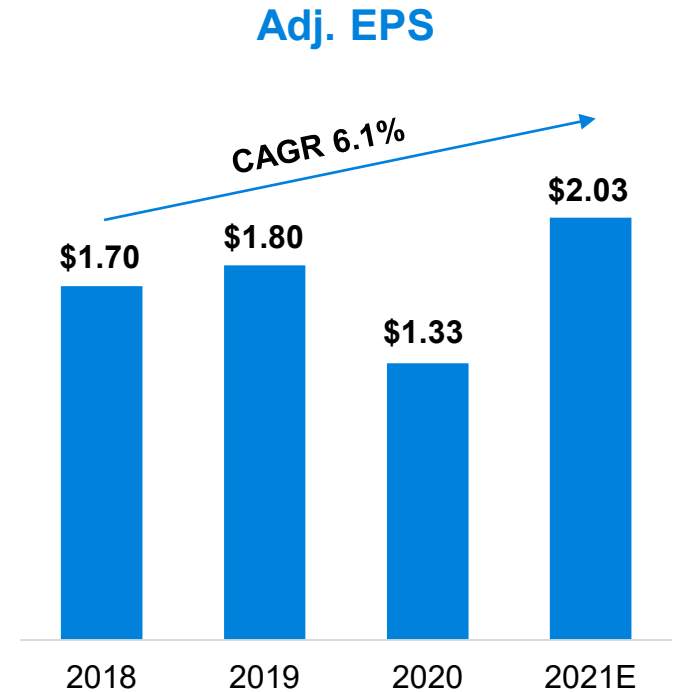
■ Represents Pro Forma Net Sales ex Venezuela and China Powder JV

- 2021E: Expected snap-back and economic recovery across all end-markets
- 2020: Pandemic impacts included 42% net sales reduction in Q2 YoY; 2H bounce-back was strong



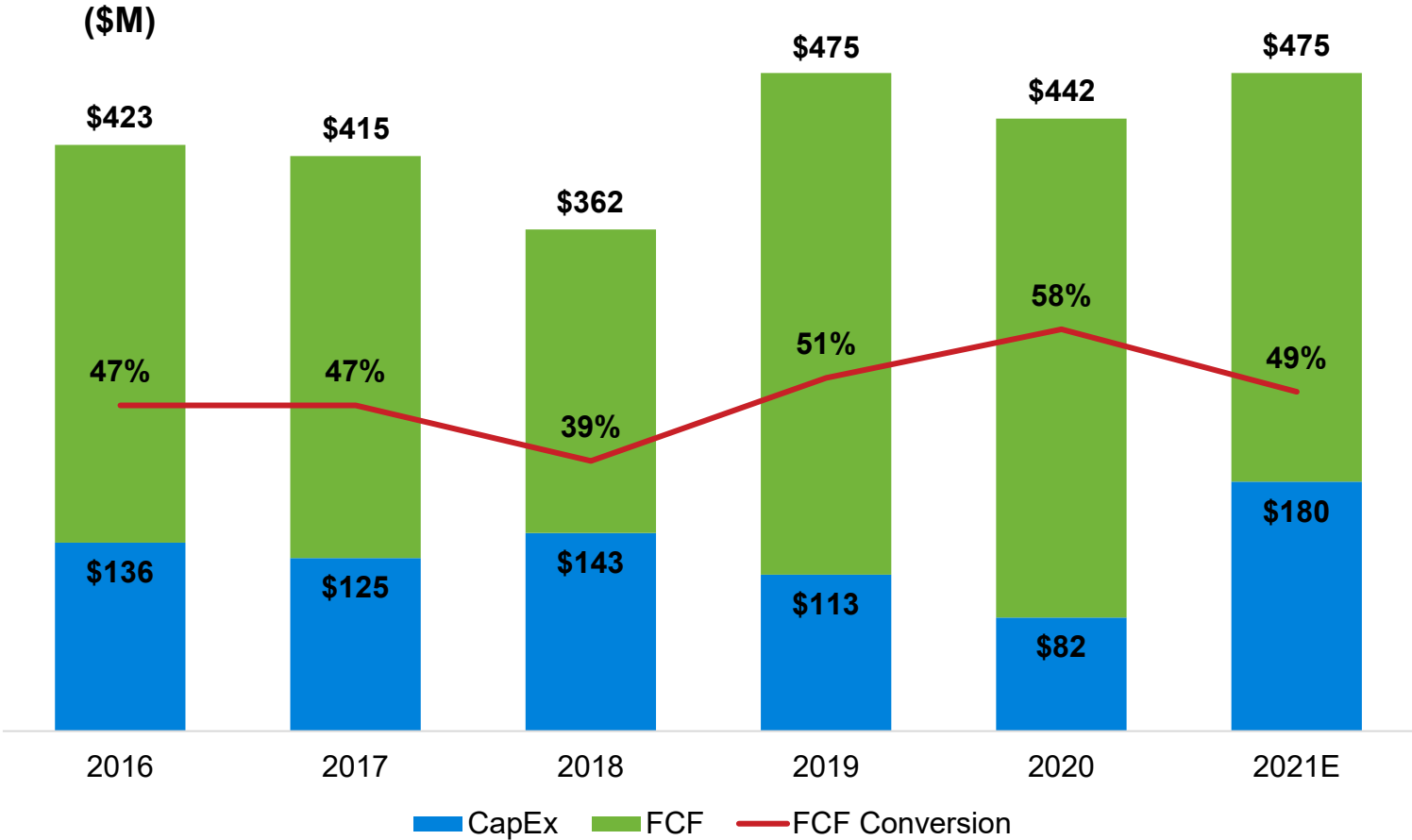
■ Represents Pro Forma Adj. EBITDA ex Venezuela and China Powder JV

- Stable EBITDA margin driven by Axalta Way; culture of cost discipline
- 2021E: Volume, price and cost management expected to more than offset raw material inflation
- 2020: Pandemic impact primarily in 1H; 2H recovery driven by both volume rebound and aggressive cost management



- 2021E: Demonstration of earnings power with stronger volume and continued focus on cost structure
- 2020: EPS pressured in 1H due to pandemic; 2H results were stronger year-over-year and record levels aided by cost management actions

Strong Free Cash Flow Generation



Key Points

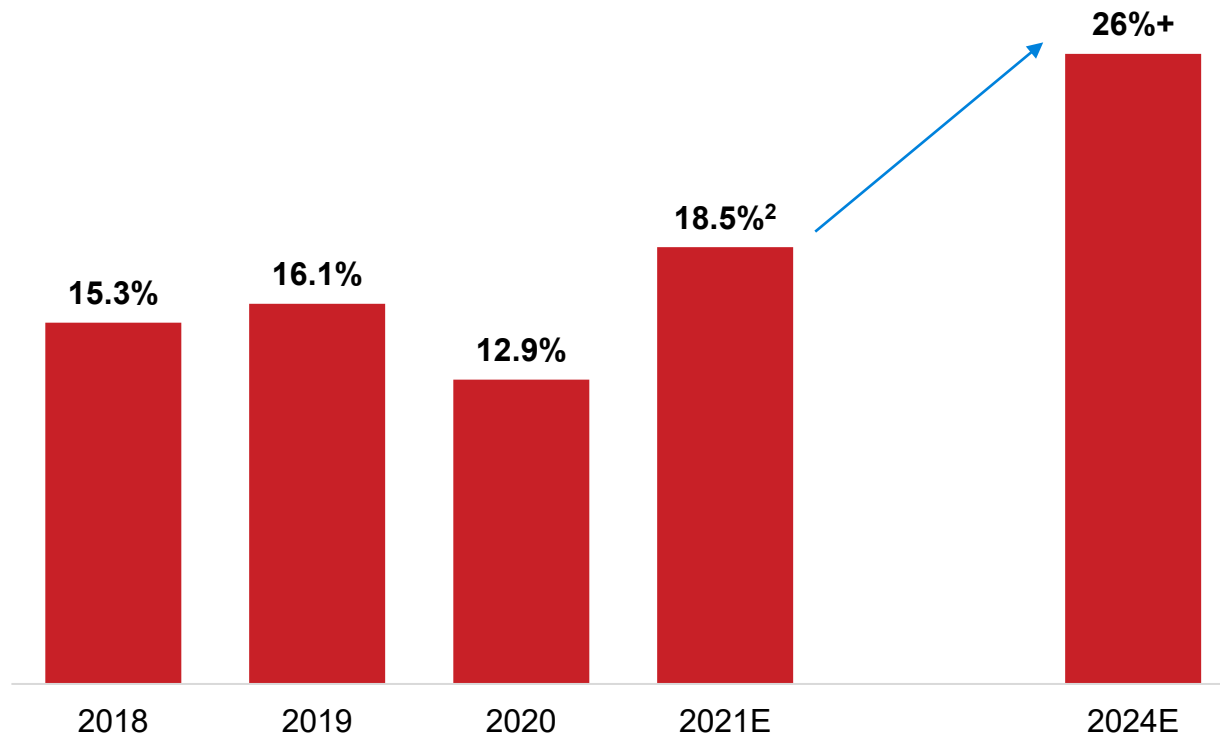
- Targeting FCF conversion of 45-50%
- Robust and consistent free cash flow bolstered by relatively low capital intensity
- Anticipate improving conversion medium term driven by continued working capital management focus
- 2021 FCF includes underlying EBITDA recovery, offset partly by:
 - Outsized CapEx of \$180M reflecting SAP implementation and 2020 catch-up
 - Severance of ~\$50M

FREE CASH FLOW PROFILE SHOWS CONTINUED IMPROVEMENT AND RESILIENCY THROUGH CYCLES

Note: Represents mid-point of FY 2021 guidance
 FCF calculated as adj. EBITDA less changes in NWC less Capex; FCF Conversion calculated as FCF / Adj. EBITDA

Discipline on Incremental Investment Dollars

Pretax Return on Invested Capital¹



Key Points

- Invested capital is net of cash with implied upside to returns from deployment

Drivers of ROIC improvement:

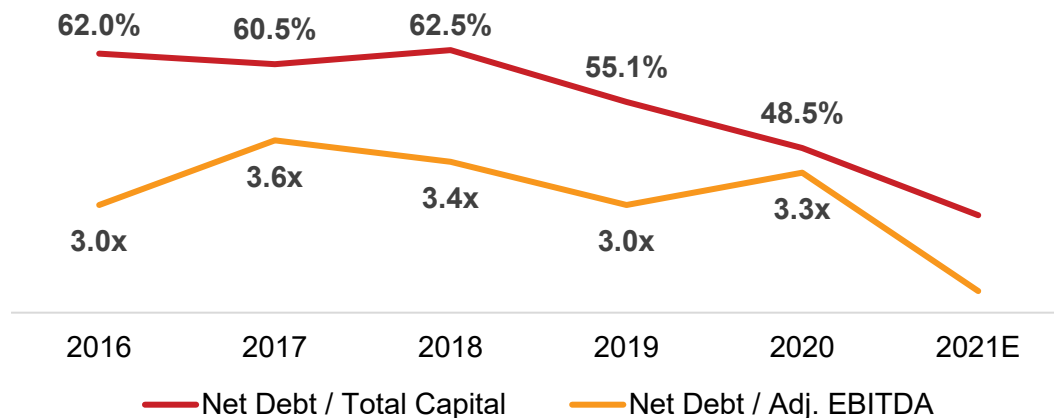
- Remains focused on improving ROIC; added as a key compensation metric for management
- Focus on profitable growth, maximizing FCF and improving asset utilization
- Capital allocation: organic investments and focus on asset efficiency
- Return-accretive M&A could provide further upside

COMMITTED TO MAINTAINING STRONG ROIC AND DISCIPLINED CAPITAL ALLOCATION

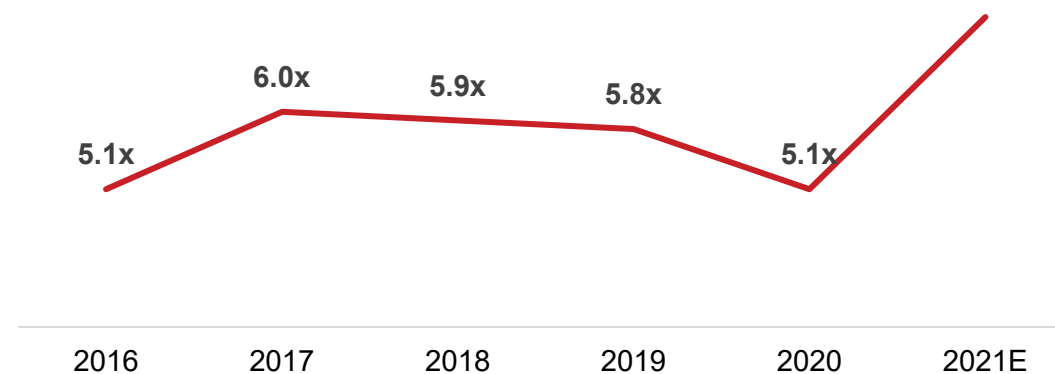
1. ROIC = Adj. EBIT / Debt + Equity – Cash, 2. Represents mid-point of FY 2021 guidance

Continued Focus on Deleveraging

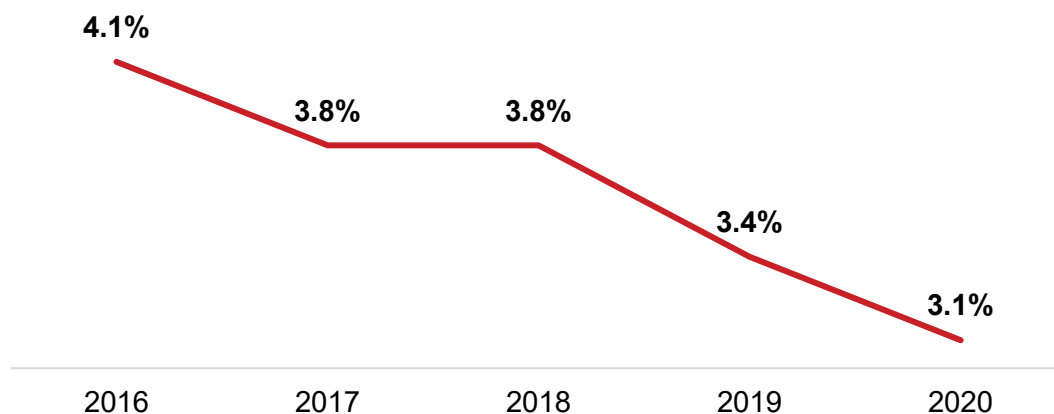
Leverage Trends¹



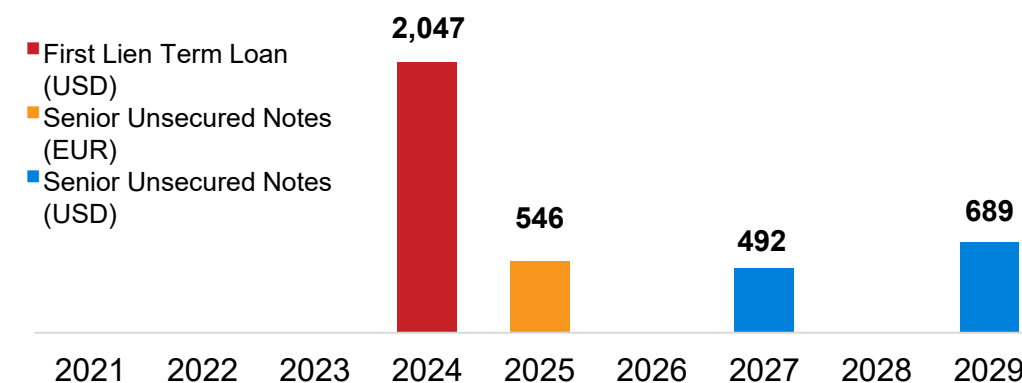
Interest Coverage (Adj. EBITDA)²



Cost of Debt³



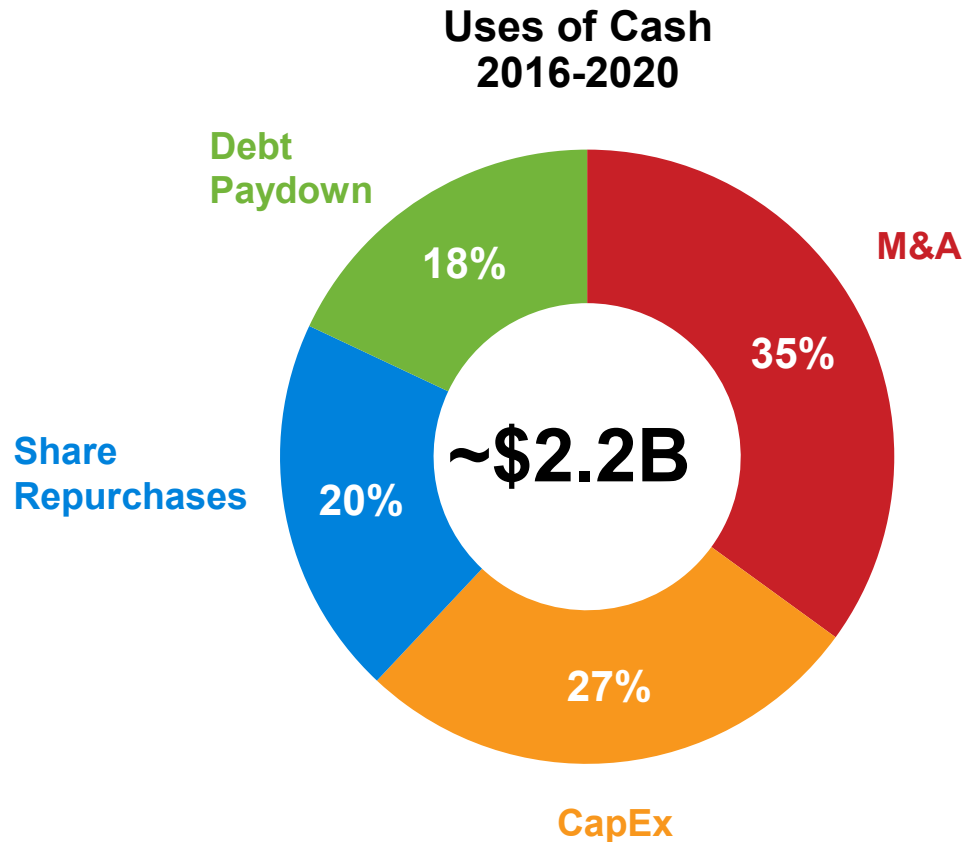
Debt Maturity Profile



LONG-TERM NET LEVERAGE TARGET OF ~2.5X

1. Net debt / Total Capital = Total Debt - Cash / Total Capital & Net Debt / Adj. EBITDA = Total Debt - Cash / LTM Adj. EBITDA. Note: Assumes accumulation of debt against cash 2. Interest Coverage = Adj. EBITDA / LTM Interest Expense 3. Cost of Debt = LTM Total Interest Expense / Total Debt less Leases and Other Borrowings. Note: 2021 data represents mid-point of FY 2021 guidance

Disciplined Capital Allocation Framework



Capital Allocation Priorities

- **CapEx**
 - Maintenance CapEx of \$30-50M per annum
 - Ongoing productivity and footprint optimization
 - S/4HANA implementation
- **M&A**
 - Disciplined approach to strategic bolt-ons and high-growth adjacencies
- **Share Repurchases**
 - Multi-year program; ~\$800M remaining on authorized program
- **Debt Paydown**
 - Long-term leverage target of ~2.5x

ROBUST FRAMEWORK FOCUSED ON GROWTH AND SHAREHOLDER VALUE CREATION

Active Pipeline with Proactive Approach to Strategic M&A

24

Acquisitions since 2015

Track Record

>\$635M

Annual Revenues

>\$125M

Incremental EBITDA

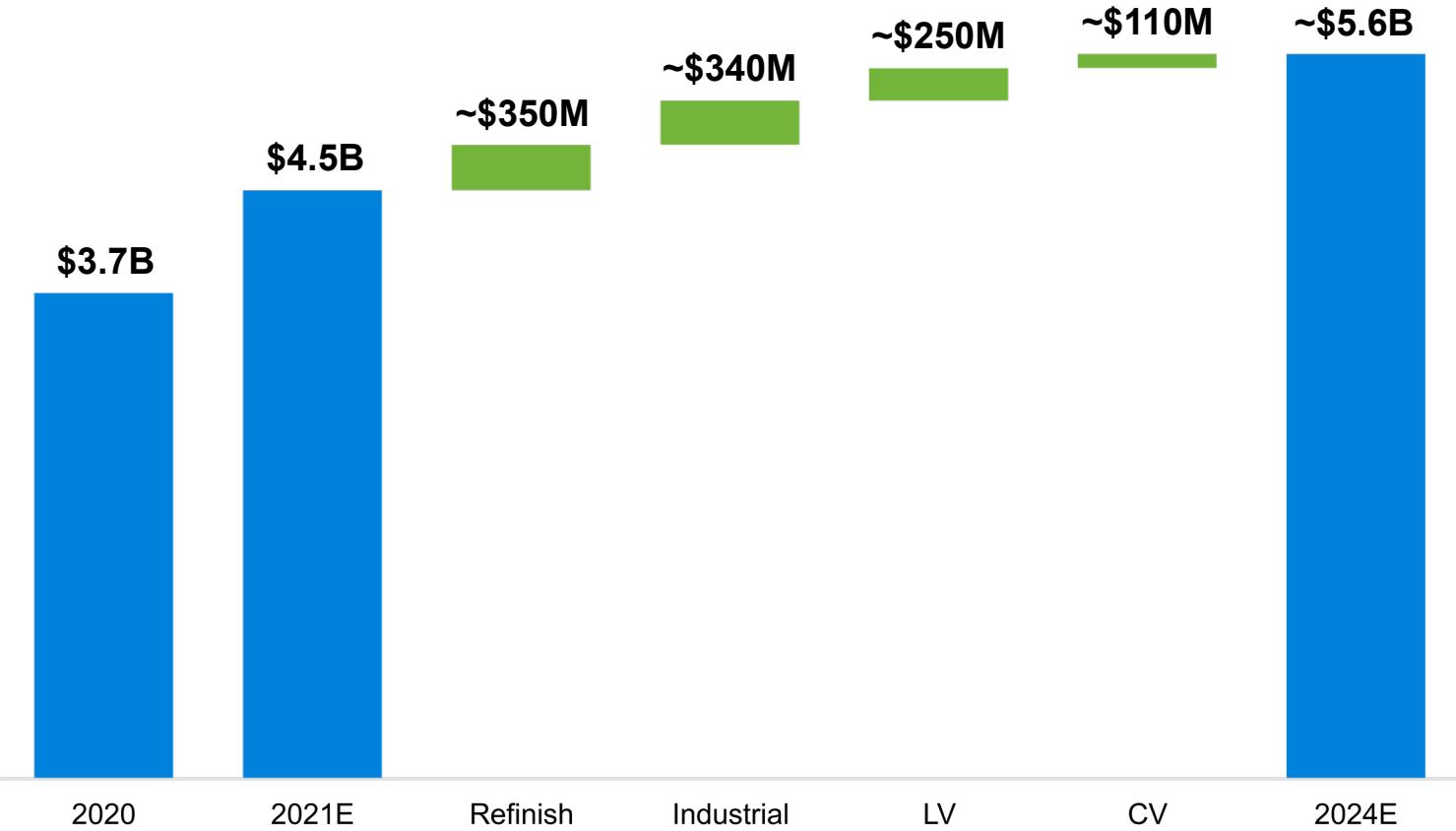
Financial Filters

- ✓ Earnings Accretive within First Full Year
- ✓ Clear Cost and/or Revenue Synergies
- ✓ ROIC > Cost of Capital within 3 Years



DISCIPLINED VALUE CREATION STRATEGY

Net Sales Bridge 2021 to 2024



Key Points

Refinish

- Market recovery continues through 2022
- Growth in premium as leader and share gain in mainstream and economy

Industrial

- Industrial production to remain supportive coupled with share gain
- Accelerated growth across all industrial end markets

Light Vehicle

- Global automotive market forecasted to grow through 2024
- Modest share gain assumed with Advanced and Core products and growth in Axalta Advantage

Commercial Vehicle

- Growth assumes healthy global truck market continues
- Growth from non-truck customers with continued diversification

FOCUSED ON SUSTAINABLE GROWTH


Note: Represents mid-point of FY 2021 guidance


4-Year Financial Outlook to 2024


		2024 TARGETS
Net Sales	<ul style="list-style-type: none"> ▪ Ongoing market recovery and share opportunities (~45%) ▪ Increased revenue from new markets and products (~30%) ▪ Increased revenue from emerging markets (~25%) ▪ M&A: strategic bolt-ons and high-growth adjacencies 	4-5% Organic Growth (CAGR '19-'24)
Earnings Growth	<ul style="list-style-type: none"> ▪ Modest margin improvement driven by overhead leverage 	aEPS: \$2.90-3.10 in 2024
Robust Cash Flow	<ul style="list-style-type: none"> ▪ Free cash flow conversion at least 45%¹ ▪ Strong focus on working capital management 	\$2.4B cumulative 4-Year FCF²
Efficient Capital Allocation	<ul style="list-style-type: none"> ▪ ROIC focused investment decisions – mid-teens IRR minimum for new investment ▪ More aggressive focus on M&A and Share Repurchases 	Majority of 4-Year FCF deployed in M&A & Repurchases
Strong Balance Sheet	<ul style="list-style-type: none"> ▪ Expect to become an investment grade issuer over time ▪ Maintain flexibility for opportunistic M&A 	~2.5x net leverage ratio

1. FCF is Operating Cash Flow less Capex plus Cash Swaps; conversion is FCF/Adjusted EBITDA 2. Excludes potential cash outflow from "operational matter"; net of any insurance recoveries

Growth Guideposts | Key Takeaways

1  Continuing solid financial execution track record by leveraging Axalta Way to further drive profitable growth and free cash flow

2  Executing disciplined capital allocation framework with clear priorities: organic investment, strategic M&A and share repurchases






3  Focusing on consistent performance and ROIC to create long-term stakeholder value



Closing Remarks

Robert Bryant | CEO

Invest With Us

- 1  Axalta occupies a unique and highly profitable position in the coatings industry
- 2  Axalta's businesses are aligned with megatrends and macro industry trends that we believe will benefit greatly from the COVID rebound, which should create a strong growth trajectory through 2024
- 3  We plan to pursue numerous attractive white space opportunities and adjacencies that leverage Axalta's core competencies
- 4  We are one of the most innovative companies in the coatings industry and will further leverage innovation across all aspects of our business to outgrow our competition
- 5  Our strengthened and highly motivated management team, drive for great execution, and focus on the Axalta Way will support greater growth, productivity, and cash flow, improving returns and stakeholder value



Q&A



Appendix

Adjusted EBIT Reconciliation

(\$ in millions)	Year Ended December 31,		
	2018	2019	2020
Income from operations	\$442.1	\$488.2	\$305.5
Other expense (income), net	15.0	(4.4)	33.4
Total	427.1	492.6	272.1
A Debt extinguishment and refinancing related costs	9.5	0.2	34.4
B Termination benefits and other employee related costs	81.7	35.2	74.9
C Strategic review and retention costs	-	13.4	30.7
D Offering and transactional costs	1.0	1.0	0.3
E Divestiture and impairment charges	-	21.1	5.7
F Pension special events	-	(0.9)	(0.4)
G Accelerated depreciation	10.3	24.3	9.2
H Indemnity loss (income)	4.3	(0.4)	0.3
I Change in fair value of equity investments	0.5	-	-
J Step-up depreciation and amortization	140.1	119.5	109.7
Adjusted EBIT	\$674.5	\$706.0	\$536.9

- A** Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.
- B** Represents expenses and associated changes to estimates related to employee termination benefits and other employee-related costs. Employee termination benefits are primarily associated with Axalta Way initiatives. These amounts are not considered indicative of our ongoing operating performance.
- C** Represents costs for legal, tax and other advisory fees pertaining to our review of strategic alternatives that was concluded in March 2020, as well as retention awards for certain employees which will be earned over a period of 18-24 months, ending September 2021. These amounts are not considered indicative of our ongoing operating performance.
- D** Represents acquisition and divestiture-related expenses, all of which are not considered indicative of our ongoing operating performance.
- E** Represents expenses and associated changes to estimates related to the sale of our joint venture business during 2019 and other impairments, which are not considered indicative of our ongoing performance.
- F** Represents certain defined benefit pension costs associated with special events, including pension curtailments, settlements and special termination benefits, which we do not consider indicative of our ongoing operating performance.
- G** Represents incremental depreciation expense resulting from truncated useful lives of the assets impacted by our manufacturing footprint assessments, which we do not consider indicative of our ongoing operating performance.
- H** Represents indemnity loss (income) associated with the acquisition by Axalta of the DuPont Performance Coatings business, which we do not consider indicative of our ongoing operating performance.
- I** Represents mark to market impacts of our equity investments, which we do not consider to be indicative of our ongoing operating performance.
- J** Represents the incremental step-up depreciation and amortization expense associated with the acquisition of DuPont Performance Coatings by Axalta. We believe this will assist investors in performing meaningful comparisons of past, present and future operating results and better highlight the results of our ongoing operating performance.

Adjusted Net Income Reconciliation

(\$ in millions)	Year Ended December 31,		
	2018	2019	2020
Net income	\$213.3	\$252.6	\$122.0
Less: Net income attributable to noncontrolling interests	6.2	3.6	0.4
Net income attributable to controlling interests	207.1	249.0	121.6
A Debt extinguishment and refinancing related costs	9.5	0.2	34.4
B Termination benefits and other employee related costs	81.7	35.2	74.9
C Strategic review and retention costs	-	13.4	30.7
D Offering and transactional costs	1.0	1.0	0.3
E Divestiture and impairment charges	-	21.1	5.7
F Pension special events	-	(0.9)	(0.4)
G Accelerated depreciation	10.3	24.3	9.2
H Indemnity loss (income)	4.3	(0.4)	0.3
I Change in fair value of equity investments	0.5	-	-
J Step-up depreciation and amortization	140.1	119.5	109.7
Total adjustments	247.4	213.4	264.8
K Income tax provision impacts	42.0	38.0	71.4
Adjusted net income	\$412.5	\$424.4	\$315.0
Adjusted diluted earnings per share	\$1.70	\$1.80	\$1.33
Diluted weighted average shares outstanding	242.9	235.8	236.0

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- H** Represents indemnity loss (income) associated with the acquisition by Axalta of the DuPont Performance Coatings business, which we do not consider indicative of our ongoing operating performance.
- I** Represents mark to market impacts of our equity investments, which we do not consider to be indicative of our ongoing operating performance.
- J** Represents the incremental step-up depreciation and amortization expense associated with the acquisition of DuPont Performance Coatings by Axalta. We believe this will assist investors in performing meaningful comparisons of past, present and future operating results and better highlight the results of our ongoing operating performance.
- K** The income tax impacts are determined using the applicable rates in the taxing jurisdictions in which expense or income occurred and includes both current and deferred income tax expense based on the nature of the non-GAAP performance measure. Additionally, the income tax impact includes the removal of discrete income tax impacts within our effective tax rate which were benefits of \$22.4 million, \$4.6 million and \$2.0 million for the years ended December 31, 2020, 2019 and 2018, respectively. The tax benefits for the year ended December 31, 2020 include the removal of a significant one-time benefit associated with the recognition of a deferred tax asset related to an intra-entity transfer of certain intellectual property rights, which will be ratably amortized into our adjusted income tax rate as the tax attribute is realized. Of the \$2.0 million of discrete income tax benefits removed for the year ended December 31, 2018, \$12.5 million is related to the impact of the U.S. Tax Cuts and Jobs Act legislation.

Adjusted EBITDA Reconciliation

(\$ in millions)	Year Ended December 31,				
	2016	2017	2018	2019	2020
Net income	\$44.6	\$47.7	\$213.3	\$252.6	\$122.0
Interest expense, net	178.2	147.0	159.6	162.6	149.9
Provision for income taxes	38.1	141.9	54.2	77.4	0.2
Depreciation and amortization	322.1	347.5	369.1	353.0	320.3
Net income attributable to controlling interests	583.0	684.1	796.2	845.6	592.4
A Debt extinguishment and refinancing related costs	97.6	13.4	9.5	0.2	34.4
B Termination benefits and other employee related costs	61.8	35.3	81.7	35.2	74.9
C Strategic review and retention costs	-	-	-	13.4	30.7
D Offering and transactional costs	6.0	26.1	1.0	1.0	0.3
E Consulting and advisory	10.4	(0.1)	-	-	-
F Loss on divestiture, impairment, and deconsolidation	68.4	78.5	-	21.1	5.7
G Foreign exchange remeasurement losses	30.6	7.4	9.2	8.3	7.2
H Long-term employee benefit plan adjustments	1.5	1.4	(1.9)	0.1	(0.1)
I Stock-based compensation	41.1	38.5	37.3	15.7	15.1
J Dividends in respect of noncontrolling interest	(3.0)	(3.0)	(1.0)	(1.5)	(0.9)
K Other adjustments	5.0	3.6	5.2	(0.2)	0.4
Adjusted EBITDA	\$902.4	\$885.2	\$937.2	\$938.9	\$760.1
Adjusted EBITDA to interest expense coverage ratio	5.1x	6.0x	5.9x	5.8x	5.1x

- A** Represents expenses and associated changes to estimates related to the prepayment, restructuring, and refinancing of our indebtedness, which are not considered indicative of our ongoing operating performance.
- B** Represents expenses and associated changes to estimates related to employee termination benefits and other employee-related costs. Employee termination benefits are primarily associated with Axalta Way initiatives. These amounts are not considered indicative of our ongoing operating performance.
- C** Represents costs for legal, tax and other advisory fees pertaining to our review of strategic alternatives that was concluded in March 2020, as well as retention awards for certain employees which will be earned over a period of 18-24 months, ending September 2021. These amounts are not considered indicative of our ongoing operating performance.
- D** Represents acquisition and divestiture-related expenses, all of which are not considered indicative of our ongoing operating performance.
- E** Represents expenses and associated true-ups to estimates for professional services primarily related to our Axalta Way and Fit for Growth initiatives, which are not considered indicative of our ongoing operating performance.
- F** Represents expenses and associated changes to estimates related to the sale of our joint venture business during 2019, deconsolidation of a subsidiary, and other impairments, which are not considered indicative of our ongoing performance.
- G** Eliminates foreign exchange losses resulting from the remeasurement of assets and liabilities denominated in foreign currencies, net of the impacts of our foreign currency instruments used to hedge our balance sheet exposures.
- H** Eliminates the non-cash, non-service cost components of long-term employee benefit costs.
- I** Represents non-cash impacts associated with stock-based compensation.
- J** Represents the payment of dividends to our joint venture partners by our consolidated entities that are not 100% owned, which are reflected to show the cash operating performance of these entities on Axalta's financial statements.
- K** Represents certain non-operational or non-cash gains and losses unrelated to our core business and which we do not consider indicative of ongoing operations, including indemnity (income) losses associated with the acquisition by Axalta of the DuPont Performance Coatings business, gains and losses from the sale and disposal of property, plant and equipment, gains and losses from the remaining foreign currency derivative instruments and from non-cash fair value inventory adjustments associated with our business combinations.

Free Cash Flow Reconciliation

(\$ in millions)	Year Ended December 31,				
	2016	2017	2018	2019	2020
Cash provided by operating activities	\$559.3	\$540.0	\$496.1	\$573.1	\$509.3
Purchase of property, plant and equipment	(136.2)	(125.0)	(143.4)	(112.5)	(82.1)
Interest proceeds on swaps designated as net investment hedges	-	-	9.4	14.7	14.5
Free cash flow	\$423.1	\$415.0	\$362.1	\$475.3	\$441.7

ROIC Reconciliation

(\$ in millions)	Year Ended December 31,		
	2018	2019	2020
Adjusted EBIT	674.5	706.0	536.9
Numerator	674.5	706.0	536.9
	As of December 31,		
	2017	2018	2019
Add:			
Total debt	3,915.6	3,864.0	3,834.1
Axalta shareholders' equity	1,276.1	1,205.1	1,354.2
Less:			
Cash and cash equivalents	769.8	693.6	1,017.5
Denominator	4,421.9	4,375.5	4,170.8
	Year Ended December 31,		
	2018	2019	2020
Return on invested capital	15.3%	16.1%	12.9%



Speaker Biographies

Robert Bryant



Chief Executive Officer

Mr. Bryant is Chief Executive Officer of Axalta Coating Systems. Previously, Mr. Bryant served as Axalta's Chief Financial Officer. Prior to joining Axalta, Mr. Bryant served as Chief Financial Officer and Senior Vice President of Roll Global LLC. Before joining Roll Global in 2007, he was the Executive Vice President of Strategy, New Business Development, and Information Technology at Grupo Industrial Saltillo, S.A.B. de C.V. Prior to joining Grupo Industrial Saltillo in 2004, Mr. Bryant was President of Bryant & Company which he founded in 2001. Prior positions included serving as Managing Principal with Texas Pacific Group's Newbridge Latin America, L.P., a Senior Associate with Booz Allen & Hamilton Inc. and an Assistant Investment Officer with the International Finance Corporation (IFC).

Mr. Bryant began his career at Credit Suisse First Boston. Mr. Bryant graduated Summa Cum Laude and Phi Beta Kappa with a B.A. in Economics from the University of Florida and received his M.B.A. with a concentration in Finance from the Harvard Business School.

Hadi Awada



SVP, Global Mobility

Hadi Awada is Senior Vice President, Global Mobility of Axalta Coating Systems.

Mr. Awada was previously President, Faurecia Clean Mobility – North America, where he also served as a member of Faurecia’s North American Board of Management and President, Faurecia Clean Mobility – Asia Pacific, serving on multiple boards with JV partners. In those roles, Awada ran a multibillion-dollar business and led efforts to develop and deploy an operational turnaround and transform the product line to focus on new technologies for customers seeking sustainability and innovation. Previously at Faurecia, he worked in Europe where he led sales and programs for many international customers. He also spent four years in Asia as the Vice President for light vehicle customer business units, product line, marketing and communications.

Mr. Awada started his career after earning his B.A. from the University of Toledo, serving the Ford Motor Company in various roles within the Ford customer service division.

Shelley Bausch



SVP, Global Industrial Coatings

Ms. Bausch is Senior Vice President, Global Industrial Coatings at Axalta. She leads Axalta's Industrial Coatings businesses, which include energy solutions, coil, wood, general industrial and powder coatings, and drives expansion into new industrial coatings markets.

Previously, Ms. Bausch led the Asia Pacific region and the Fluid Technologies business unit for the Carlisle Companies Inc., a manufacturer of engineered products used in roofing, architectural metal, aerospace, medical technologies, industrial, transportation, refinish, and agriculture, mining and construction equipment markets. Before Carlisle, she led the Industrial Coatings business for PPG from 2014 to 2017 and spent 25 years at Dow Corning Corporation in a variety of senior management and commercial roles, including several years in Shanghai, China.

Ms. Bausch serves on the board of directors of Kraton Corporation. She earned a B.S. in Business Administration, summa cum laude, from Alma College and an M.B.A. from the University of Michigan – Flint.

Sean Lannon



SVP & Chief Financial Officer

Mr. Lannon is Senior Vice President and Chief Financial Officer at Axalta. Previously, he served as Axalta's Vice President, Corporate Finance and Global Controller.

Prior to joining Axalta, Mr. Lannon served as Vice President, Global Controller of Trinseo and Senior Manager, Financial Reporting at Endo Pharmaceuticals. Mr. Lannon began his career at PricewaterhouseCoopers where he spent more than nine years within the organization's Audit Practice.

Mr. Lannon graduated with a B.A. in Accounting from Philadelphia University. He is a Certified Public Accountant.

Robert Roop



VP & Chief Technology Officer

Dr. Roop is Vice President and Chief Technology Officer. Dr. Roop has been with Axalta since 2013 in expanding roles of responsibility in the technology organization. He began at Axalta as Technology Director, North America and most recently served as Vice President, Technology Development for the Company's Refinish and Industrial businesses.

Prior to those roles, Dr. Roop spent more than twenty years in technology and operations positions at DuPont in various polymer and chemical businesses, including DuPont Performance Coatings.

Dr. Roop received a B.S. in Chemical Engineering from West Virginia University and holds a Ph.D. in Chemical Engineering from Texas A&M University.

Barry Snyder



SVP, Chief Operations and Supply Chain Officer

Dr. Snyder is Senior Vice President and Chief Operations and Supply Chain Officer at Axalta. He previously served as the Company's Senior Vice President and Chief Technology Officer. Before joining Axalta, Dr. Snyder was Senior Vice President & Chief Innovation Officer at Orion Engineered Carbons where he was responsible for global R&D and quality assurance. From 2008 through 2012, Dr. Snyder was Vice President, Marketing & Technology and Chief Technology Officer at H.B. Fuller Company where he oversaw 15 laboratories on four continents. At Celanese between 2007 and 2008, he was Global Technology Director for the company's emulsions and polyvinyl alcohol division.

From 1990 to 2006, he held a number of positions of increasingly broad scope and responsibility at Rohm and Haas.

Dr. Snyder earned a Ph.D. in inorganic chemistry from Harvard University, an M.B.A. from Temple University and B.S. and M.S degrees in chemistry from Emory University.

Troy Weaver



SVP, Global Refinish

Mr. Weaver is Senior Vice President, Global Refinish at Axalta and leads the Company's Refinish strategy and innovation. Prior to this, Mr. Weaver led North America Refinish where he was responsible for Axalta's high performing Refinish Business in the U.S. & Canada. He also led Axalta's initiative to secure and grow market share with multiple location collision shop operators, mega-dealers, and nationally recognized collision shop networks.

Mr. Weaver began his career at DuPont Performance Coatings in 1992, holding various Sales and Marketing leadership roles. He is also a two-time recipient of DuPont's Prestigious Marketing Excellence Award, first in 2007 and again in 2010.

Mr. Weaver is active in the industry and has served as Chairman of the Board of CIECA (Collision Industry Electronic Commerce Association).