
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File Number: 001-36733

AXALTA COATING SYSTEMS LTD.

(Exact name of registrant as specified in its charter)

Bermuda
(State or other jurisdiction of
incorporation or organization)

2851
(Primary Standard Industrial
Classification Code Number)

98-1073028
(I.R.S. Employer
Identification No.)

1050 Constitution Avenue
Philadelphia, Pennsylvania 19112
(855) 547-1461

(Address, including zip code, and telephone number, including area code, of the registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Common Shares, \$1.00 par value
(Title of class)

AXTA
(Trading symbol)

New York Stock Exchange
(Exchange on which registered)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer Non-accelerated filer Accelerated filer
Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 30, 2025, there were 218,559,477 shares of the registrant's common shares outstanding.

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PART I FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)**

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Statements of Operations (Unaudited)
(In millions, except per share data)

	Three Months Ended March 31,	
	2025	2024
Net sales	\$ 1,262	\$ 1,294
Cost of goods sold	829	865
Selling, general and administrative expenses	202	207
Other operating charges	14	61
Research and development expenses	17	18
Amortization of acquired intangibles	24	22
Income from operations	176	121
Interest expense, net	44	54
Other expense, net	3	8
Income before income taxes	129	59
Provision for income taxes	30	20
Net income	99	39
Less: Net loss attributable to noncontrolling interests	—	(2)
Net income attributable to common shareholders	\$ 99	\$ 41
Basic net income per share	\$ 0.45	\$ 0.18
Diluted net income per share	\$ 0.45	\$ 0.18

The accompanying notes are an integral part of these condensed consolidated financial statements.

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(In millions)

	Three Months Ended March 31,	
	2025	2024
Net income	\$ 99	\$ 39
Other comprehensive income (loss), before tax:		
Foreign currency translation adjustments	62	(44)
Unrealized gain on pension and other benefit plan obligations	1	1
Other comprehensive income (loss), before tax	63	(43)
Income tax (benefit) expense related to items of other comprehensive income	(1)	1
Other comprehensive income (loss), net of tax	64	(44)
Comprehensive income (loss)	163	(5)
Less: Comprehensive income (loss) attributable to noncontrolling interests	2	(2)
Comprehensive income (loss) attributable to common shareholders	\$ 161	\$ (3)

The accompanying notes are an integral part of these condensed consolidated financial statements.

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Balance Sheets (Unaudited)
(In millions, except per share data)

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 575	\$ 593
Restricted cash	3	3
Accounts and notes receivable, net	1,282	1,248
Inventories	787	734
Prepaid expenses and other current assets	174	145
Total current assets	<u>2,821</u>	<u>2,723</u>
Property, plant and equipment, net	1,199	1,181
Goodwill	1,677	1,640
Identifiable intangibles, net	1,146	1,149
Other assets	568	556
Total assets	<u>\$ 7,411</u>	<u>\$ 7,249</u>
Liabilities, Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 732	\$ 659
Current portion of borrowings	20	20
Other accrued liabilities	578	675
Total current liabilities	<u>1,330</u>	<u>1,354</u>
Long-term borrowings	3,398	3,401
Accrued pensions	223	220
Deferred income taxes	153	151
Other liabilities	185	167
Total liabilities	<u>5,289</u>	<u>5,293</u>
Commitments and contingent liabilities (Note 5)		
Shareholders' equity:		
Common shares, \$1.00 par, 1,000.0 shares authorized, 255.0 and 254.5 shares issued at March 31, 2025 and December 31, 2024, respectively	255	255
Capital in excess of par	1,602	1,599
Retained earnings	1,776	1,677
Treasury shares, at cost, 36.4 shares at March 31, 2025 and December 31, 2024	(1,037)	(1,037)
Accumulated other comprehensive loss	(520)	(582)
Total Axalta shareholders' equity	<u>2,076</u>	<u>1,912</u>
Noncontrolling interests	46	44
Total shareholders' equity	<u>2,122</u>	<u>1,956</u>
Total liabilities and shareholders' equity	<u>\$ 7,411</u>	<u>\$ 7,249</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)
(In millions)

	Common Stock							
	Number of Shares	Par/Stated Value	Capital In Excess Of Par	Retained Earnings	Treasury Shares, at cost	Accumulated Other Comprehensive Loss	Non controlling Interests	Total
Balance at December 31, 2024	218.1	\$ 255	\$ 1,599	\$ 1,677	\$ (1,037)	\$ (582)	\$ 44	\$ 1,956
Comprehensive income:								
Net income	—	—	—	99	—	—	—	99
Long-term employee benefit plans, net of tax of \$0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax benefit of \$1 million	—	—	—	—	—	61	2	63
Total comprehensive income	—	—	—	99	—	62	2	163
Recognition of stock-based compensation	—	—	5	—	—	—	—	5
Shares issued under compensation plans	0.5	—	(2)	—	—	—	—	(2)
Balance at March 31, 2025	218.6	\$ 255	\$ 1,602	\$ 1,776	\$ (1,037)	\$ (520)	\$ 46	\$ 2,122

	Common Stock							
	Number of Shares	Par/Stated Value	Capital In Excess Of Par	Retained Earnings	Treasury Shares, at cost	Accumulated Other Comprehensive Loss	Non controlling Interests	Total
Balance at December 31, 2023	220.1	\$ 254	\$ 1,568	\$ 1,286	\$ (937)	\$ (444)	\$ 46	\$ 1,773
Comprehensive income:								
Net income (loss)	—	—	—	41	—	—	(2)	39
Long-term employee benefit plans, net of tax of \$0 million	—	—	—	—	—	1	—	1
Foreign currency translation, net of tax of \$1 million	—	—	—	—	—	(45)	—	(45)
Total comprehensive income (loss)	—	—	—	41	—	(44)	(2)	(5)
Recognition of stock-based compensation	—	—	6	—	—	—	—	6
Shares issued under compensation plans	0.5	—	1	—	—	—	—	1
Balance at March 31, 2024	220.6	\$ 254	\$ 1,575	\$ 1,327	\$ (937)	\$ (488)	\$ 44	\$ 1,775

The accompanying notes are an integral part of these condensed consolidated financial statements.

AXALTA COATING SYSTEMS LTD.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In millions)

	Three Months Ended March 31,	
	2025	2024
Operating activities:		
Net income	\$ 99	\$ 39
Adjustment to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	70	68
Amortization of deferred financing costs and original issue discount	2	2
Debt extinguishment and refinancing-related costs	—	3
Deferred income taxes	8	6
Realized and unrealized foreign exchange losses, net	8	9
Stock-based compensation	5	6
Interest income on swaps designated as net investment hedges	(3)	(3)
Other non-cash, net	(1)	2
Changes in operating assets and liabilities:		
Trade accounts and notes receivable	(18)	4
Inventories	(37)	(20)
Prepaid expenses and other assets	(59)	(40)
Accounts payable	66	11
Other accrued liabilities	(106)	(75)
Other liabilities	(8)	22
Cash provided by operating activities	<u>26</u>	<u>34</u>
Investing activities:		
Acquisition, net of cash acquired	(6)	—
Purchase of property, plant and equipment	(43)	(22)
Interest proceeds on swaps designated as net investment hedges	3	3
Other investing activities, net	2	—
Cash used for investing activities	<u>(44)</u>	<u>(19)</u>
Financing activities:		
Proceeds from long-term borrowings	—	107
Payments on short-term borrowings	—	(5)
Payments on long-term borrowings	(5)	(183)
Financing-related costs	—	(2)
Net cash flows associated with stock-based awards	(2)	1
Other financing activities, net	(1)	—
Cash used for financing activities	<u>(8)</u>	<u>(82)</u>
Decrease in cash	(26)	(67)
Effect of exchange rate changes on cash	8	(9)
Cash at beginning of period	596	703
Cash at end of period	<u>\$ 578</u>	<u>\$ 627</u>
Cash at end of period reconciliation:		
Cash and cash equivalents	\$ 575	\$ 624
Restricted cash	3	3
Cash at end of period	<u>\$ 578</u>	<u>\$ 627</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

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Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(1) BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim condensed consolidated financial statements included herein are unaudited. In the opinion of management, these statements include all adjustments, consisting only of normal, recurring adjustments, necessary for a fair statement of the financial position and shareholders' equity of Axalta Coating Systems Ltd., a Bermuda exempted company limited by shares, and its consolidated subsidiaries ("Axalta," the "Company," "we," "our" and "us") at March 31, 2025, the results of operations, comprehensive income (loss), changes in shareholders' equity and cash flows for the three months ended March 31, 2025 and 2024. All intercompany balances and transactions have been eliminated.

These interim unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024. The year-end condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America ("GAAP").

The interim unaudited condensed consolidated financial statements include the accounts of Axalta and its subsidiaries, and entities in which a controlling interest is maintained. Certain of our entities are accounted for on a one-month lag basis, the effect of which is not material.

The results of operations for the three months ended March 31, 2025 are not necessarily indicative of the results to be expected for the full year ended December 31, 2025 or any future period(s).

Summary of Significant Accounting Policies Updates

Recently Adopted Accounting Guidance

In January 2024, we adopted Accounting Standards Update ("ASU") 2023-07, *Segment Reporting (Topic 280)*, which expands the disclosures about a public entity's reportable segments and the expenses of the entity's reportable segments. This ASU does not impact our consolidated financial position, results of operations or cash flows. The required disclosures are included in Note 17.

Accounting Guidance and Disclosure Rules Issued But Not Yet Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-09, *Income Taxes (Topic 740)* to enhance the transparency and decision usefulness of income tax disclosures, primarily related to the rate reconciliation and income taxes paid disclosures. The new standard is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company plans to adopt the guidance and include required enhanced disclosures in its consolidated financial statements for the year ending December 31, 2025.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)*, to improve disclosures about a public business entity's expenses and require more detailed information about the types of expenses in commonly presented expense captions, such as cost of sales, selling general and administrative expense and research and development. The new standard is effective for fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. We are currently evaluating the impact of ASU 2024-03 on our financial statements.

(2) REVENUE

Consideration for products in which control has transferred to our customers that is conditional on something other than the passage of time is recorded as a contract asset within prepaid expenses and other current assets in the condensed consolidated balance sheets. The contract asset balances at March 31, 2025 and December 31, 2024 were \$49 million and \$36 million, respectively.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

We provide certain customers with incremental up-front consideration, subject to clawback provisions, including Business Incentive Plan assets (“BIPs”), which is capitalized as a component of other assets and amortized over the estimated life of the contractual arrangement as a reduction of net sales. We do not receive a distinct service or good in return for these BIPs, but rather receive volume commitments and/or sole supplier status from our customers over the life of the contractual arrangements, which approximates a five-year weighted average useful life. The termination clauses in these contractual arrangements generally include standard clawback provisions that are designed to enable us to collect monetary damages in the event of a customer’s failure to meet its commitments under the relevant contract. BIPs are assessed for recoverability annually or more frequently when certain circumstances arise. At March 31, 2025 and December 31, 2024, the total carrying value of BIPs were \$183 million and \$169 million, respectively, and are presented within other assets in the condensed consolidated balance sheets. For the three months ended March 31, 2025 and 2024, \$15 million and \$14 million, respectively, was amortized net of clawbacks and reflected as reductions of net sales in the condensed consolidated statements of operations.

See Note 17 for disaggregated net sales by end-market.

(3) GOODWILL AND IDENTIFIABLE INTANGIBLE ASSETS

During the three months ended March 31, 2025, we completed a strategic acquisition in our Performance Coatings segment. This acquisition was accounted for as a business combination with aggregate consideration of \$9 million, of which \$6 million was paid, net of \$1 million of cash acquired, during the three months ended March 31, 2025. The overall impacts to our unaudited condensed consolidated financial statements were not considered to be material. The fair value associated with identifiable intangible assets was \$5 million, comprising customer relationship assets, which will be amortized over a weighted average term of approximately 10 years.

Goodwill

The following table shows changes in the carrying amount of goodwill from December 31, 2024 to March 31, 2025 by reportable segment:

	Performance Coatings	Mobility Coatings	Total
Balance at December 31, 2024	\$ 1,566	\$ 74	\$ 1,640
Goodwill from acquisitions	1	—	1
Foreign currency translation	34	2	36
Balance at March 31, 2025	<u>\$ 1,601</u>	<u>\$ 76</u>	<u>\$ 1,677</u>

Identifiable Intangible Assets

The following tables summarize the gross carrying amounts and accumulated amortization of identifiable intangible assets by major class:

March 31, 2025	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods (years)
Technology	\$ 151	\$ (90)	\$ 61	11.1
Trademarks—indefinite-lived	258	—	258	Indefinite
Trademarks—definite-lived	156	(74)	82	14.1
Customer relationships	1,301	(556)	745	19.1
Total	<u>\$ 1,866</u>	<u>\$ (720)</u>	<u>\$ 1,146</u>	

December 31, 2024	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Weighted average amortization periods (years)
Technology	\$ 152	\$ (88)	\$ 64	11.1
Trademarks—indefinite-lived	252	—	252	Indefinite
Trademarks—definite-lived	154	(70)	84	14.0
Customer relationships	1,280	(531)	749	19.1
Total	<u>\$ 1,838</u>	<u>\$ (689)</u>	<u>\$ 1,149</u>	

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

The estimated amortization expense related to the fair value of acquired intangible assets for the remainder of 2025 and each of the succeeding five years is:

Remainder of 2025	\$	73
2026		96
2027		95
2028		82
2029		78
2030		77

(4) RESTRUCTURING

During February 2024, we announced a global transformation initiative intended to simplify the Company's organizational structure and enable us to be more proactive, responsive, and agile and to better serve our customers and to lower our cost base and improve financial performance and cash flow generation (the "2024 Transformation Initiative"). The 2024 Transformation Initiative actions, certain of which are subject to the satisfaction of local law requirements in various jurisdictions, commenced in the first quarter of 2024 and we expect them to be completed by 2026. The 2024 Transformation Initiative is expected to result in a reduction to our workforce of more than 500 employees globally and total pre-tax charges of approximately \$80 million in the aggregate, of which approximately \$74 million represents severance and other exit-related costs and approximately \$6 million represents non-cash accelerated depreciation charges. Total cash expenditures related to the 2024 Transformation Initiative are expected to be approximately \$105-115 million, inclusive of \$30-40 million for capital expenditures to, among other things, shift manufacturing capacity or capabilities. The 2024 Transformation Initiative resulted in pre-tax charges of \$6 million for the three months ended March 31, 2025, which primarily relates to employee severance and other exit costs.

The majority of the termination benefits were accounted for in accordance with the applicable guidance for Accounting Standards Codification ("ASC") 712, *Nonretirement Postemployment Benefits*, whereby we accounted for termination benefits and recognized liabilities when the loss was considered probable that employees were entitled to benefits and the amounts could be reasonably estimated.

During the three months ended March 31, 2025 and 2024, we incurred costs of \$11 million and \$55 million, respectively, for termination benefits, net of changes in estimates. The majority of our termination benefits are recorded within other operating charges in the condensed consolidated statements of operations. The remaining payments associated with these actions are expected to be substantially completed within 12 months from March 31, 2025.

The following table summarizes the activity related to the termination benefit reserves and expenses from December 31, 2024 to March 31, 2025:

	2025 Activity
Balance at December 31, 2024	\$ 49
Expenses, net of changes to estimates	11
Payments made	(10)
Foreign currency translation	2
Balance at March 31, 2025	\$ 52

(5) COMMITMENTS AND CONTINGENCIES

Guarantees

We guarantee certain of our customers' obligations to third parties, whereby any default by our customers on their obligations could force us to make payments to the applicable creditors ("Customer Obligation Guarantees"). At March 31, 2025 and December 31, 2024, we had outstanding Customer Obligation Guarantees of \$23 million, excluding certain outstanding Customer Obligation Guarantees secured by letters of credit under the Revolving Credit Facility discussed further in Note 15. Excluding Customer Obligation Guarantees secured by letters of credit under the Revolving Credit Facility, substantially all of our Customer Obligation Guarantees do not have specified expiration dates. We monitor the Customer Obligation Guarantees to evaluate whether we have a liability at the balance sheet date. We did not have any liabilities related to our outstanding Customer Obligation Guarantees recorded at either March 31, 2025 or December 31, 2024.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Operational Matter

In January 2021, we became aware of an operational matter affecting certain North America Mobility Coatings customer manufacturing sites. The matter involves the use and application of certain of our products in combination with and incorporated within third-party products. The matter occurred over a discrete period during the fourth quarter of 2020. We concluded that losses from this matter were probable and that a majority of losses would be covered under our insurance policies, subject to deductible and policy limits as defined in our policies.

During each of the three months ended March 31, 2025 and 2024, expenses recorded relating to the operational matter were immaterial. At March 31, 2025 and December 31, 2024, we had \$28 million and \$29 million, respectively, recorded for estimated insurance receivables within accounts and notes receivable, net in the condensed consolidated balance sheets. Liabilities of \$26 million and \$27 million are recorded as other accrued liabilities in the condensed consolidated balance sheets at March 31, 2025 and December 31, 2024, respectively. The recorded probable losses remain an estimate, and actual costs arising from this matter could be materially lower or higher depending on the actual costs incurred to repair the impacted products as well as the availability of additional insurance coverage.

Other

We are subject to various pending lawsuits, legal proceedings and other claims in the ordinary course of business, including civil, regulatory and environmental matters. These matters may involve third-party indemnification obligations and/or insurance covering all or part of any potential damage incurred by us. All of these matters are subject to many uncertainties and, accordingly, we cannot determine the ultimate outcome of the proceedings and other claims at this time. The potential effects, if any, on our condensed consolidated financial statements will be recorded in the period in which these matters are probable and estimable. Except as set forth in the “Operational Matter” section above, we believe that any sum we may be required to pay in connection with proceedings or claims in excess of the amounts recorded would likely not have a material adverse effect on our results of operations, financial condition or cash flows on a consolidated annual basis but could have a material adverse impact in a particular quarterly reporting period. However, there can be no assurance that any such sum would not have a material adverse effect on our results of operations, financial condition or cash flows on a consolidated annual basis.

We are involved in environmental remediation and ongoing compliance activities at several sites. The timing and duration of remediation and ongoing compliance activities are determined on a site by site basis depending on local regulations. The liabilities recorded represent our estimable future remediation costs and other anticipated environmental liabilities. We have not recorded liabilities at sites where a liability is probable but a range of loss is not reasonably estimable. We believe that any sum we may be required to pay in connection with environmental remediation matters in excess of the amounts recorded would likely occur over a period of time and would likely not have a material adverse effect upon our results of operations, financial condition or cash flows on a consolidated annual basis but could have a material adverse impact in a particular quarterly reporting period.

(6) LONG-TERM EMPLOYEE BENEFITS

Components of Net Periodic Benefit Cost

The following table sets forth the pre-tax components of net periodic benefit costs for our defined benefit plans for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
Components of net periodic benefit cost:		
Net periodic benefit cost:		
Service cost	\$ 1	\$ 1
Interest cost	4	5
Expected return on plan assets	(2)	(3)
Amortization of actuarial loss, net	1	1
Net periodic benefit cost	<u>\$ 4</u>	<u>\$ 4</u>

All non-service components of net periodic benefit cost are recorded in other expense, net within the accompanying condensed consolidated statements of operations.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(7) STOCK-BASED COMPENSATION

During each of the three months ended March 31, 2025 and 2024, we recognized \$5 million and \$6 million in stock-based compensation expense, respectively, which was allocated between cost of goods sold and selling, general and administrative expenses in the condensed consolidated statements of operations. We recognized tax benefits on stock-based compensation of \$1 million for the three months ended March 31, 2025 and 2024.

2025 Activity

Restricted Stock Units	Units (in millions)	Weighted Average Fair Value
Outstanding at January 1, 2025	1.0	\$ 31.43
Granted	0.5	\$ 34.37
Vested	(0.4)	\$ 30.74
Forfeited ⁽¹⁾	—	\$ 31.47
Outstanding at March 31, 2025	1.1	\$ 33.08

(1) Activity during the three months ended March 31, 2025 rounds to zero.

Tax expenses on the vesting of restricted stock units during the three months ended March 31, 2025 were immaterial.

At March 31, 2025, there was \$25 million of unamortized expense relating to unvested restricted stock units that is expected to be amortized over a weighted average period of 1.7 years.

Performance Share Units	Units (in millions)	Weighted Average Fair Value
Outstanding at January 1, 2025	0.9	\$ 35.84
Granted	0.3	\$ 39.71
Vested ⁽¹⁾	—	\$ 30.63
Forfeited	(0.2)	\$ 32.33
Outstanding at March 31, 2025	1.0	\$ 37.94

(1) Activity during the three months ended March 31, 2025 rounds to zero.

Our performance share units allow for participants to vest in zero to 200% of the target number of shares granted. At March 31, 2025, there was \$26 million of unamortized expense relating to unvested performance share units that is expected to be amortized over a weighted average period of 2.2 years. The forfeitures include portions of performance share unit grants that were determined to not have vested during the period as a result of not meeting established financial performance thresholds.

Stock Options

The Black-Scholes option pricing model was used to estimate the fair values for options as of their grant date. There have been no options granted since 2019. There are currently 0.2 million options outstanding, all of which are vested and exercisable, with an average exercise price of \$28.06, a weighted average contractual life of 2.8 years and an aggregate intrinsic value of \$1 million.

Cash received by the Company upon exercise of options during the three months ended March 31, 2025 was \$1 million. There were immaterial tax expenses on these exercises.

(8) OTHER EXPENSE, NET

	Three Months Ended March 31,	
	2025	2024
Foreign exchange losses, net	\$ 3	\$ 5
Debt extinguishment and refinancing-related costs ⁽¹⁾	—	3
Total	\$ 3	\$ 8

(1) Debt extinguishment and refinancing-related costs include third-party fees incurred and the loss on extinguishment associated with the write-off of unamortized deferred financing costs and original issue discounts in conjunction with the refinancing of our long-term borrowings.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(9) INCOME TAXES

Our effective income tax rates for the three months ended March 31, 2025 and 2024 are as follows:

	Three Months Ended March 31,	
	2025	2024
Effective Tax Rate	23.0 %	33.9 %

The lower effective tax rate for the three months ended March 31, 2025 was primarily due to the 2025 favorable impact of changes in unrecognized tax benefits, as well as the unfavorable 2024 tax impacts of the 2024 Transformation Initiative pre-tax charges, which did not repeat in 2025.

The effective tax rate for the three months ended March 31, 2025 differs from the Bermuda statutory rate due to various items that impacted the effective rate both favorably and unfavorably. We recorded unfavorable impacts for earnings in jurisdictions where the statutory rate is higher than the Bermuda statutory rate and for changes in the valuation allowance. These adjustments were primarily offset by the favorable adjustments for decreases in unrecognized tax benefits and foreign currency exchange losses.

For the three months ended March 31, 2025, the effect of the Organization for Economic Cooperation and Development's (OECD) Pillar Two framework, which imposes, among other items, a minimum tax rate of 15%, resulted in incremental tax expenses as compared to the same period in 2024. The incremental increase did not have a significant impact on our condensed consolidated financial statements for the three months ended March 31, 2025.

(10) NET INCOME PER COMMON SHARE

Basic net income per common share excludes the dilutive impact of potentially dilutive securities and is computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted net income per common share includes the effect of potential dilution from the hypothetical exercise of outstanding stock options and vesting of restricted stock units and performance share units. A reconciliation of our basic and diluted net income per common share is as follows:

(In millions, except per share data)	Three Months Ended March 31,	
	2025	2024
Net income to common shareholders	\$ 99	\$ 41
Basic weighted average shares outstanding	218.3	220.3
Diluted weighted average shares outstanding	219.4	221.3
Net income per common share ⁽¹⁾ :		
Basic net income per share	\$ 0.45	\$ 0.18
Diluted net income per share	\$ 0.45	\$ 0.18

(1) Basic earnings per share and diluted earnings per share are calculated based on full precision. Figures in the table may not recalculate due to rounding.

The number of anti-dilutive shares that have been excluded in the computation of diluted net income per share for both the three months ended March 31, 2025 and 2024 was 0.1 million.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(11) ACCOUNTS AND NOTES RECEIVABLE, NET

Trade accounts receivable are stated at the amount we expect to collect. We maintain allowances for doubtful accounts for estimated losses by applying historical loss percentages, combined with reasonable and supportable forecasts of future losses, to respective aging categories. Management considers the following factors in developing its current estimate of expected credit losses: customer credit-worthiness, past transaction history with the customer, current economic industry trends, changes in market or regulatory matters, changes in geopolitical matters, changes in customer payment terms, and other macroeconomic factors.

	March 31, 2025	December 31, 2024
Accounts receivable - trade, net ⁽¹⁾	\$ 1,040	\$ 1,015
Notes receivable	91	92
Other ⁽²⁾	151	141
Total	<u>\$ 1,282</u>	<u>\$ 1,248</u>

(1) Allowance for doubtful accounts was \$26 million and \$25 million at March 31, 2025 and December 31, 2024, respectively.

(2) Includes \$28 million and \$29 million at March 31, 2025 and December 31, 2024, respectively, of insurance recoveries related to an operational matter discussed further in Note 5.

Bad debt expense of \$3 million and \$0 million was included within selling, general and administrative expenses and other operating charges for the three months ended March 31, 2025 and 2024, respectively.

(12) INVENTORIES

	March 31, 2025	December 31, 2024
Finished products	\$ 433	\$ 391
Semi-finished products	125	124
Raw materials	197	189
Stores and supplies	32	30
Total	<u>\$ 787</u>	<u>\$ 734</u>

Inventory reserves were \$18 million and \$17 million at March 31, 2025 and December 31, 2024, respectively.

(13) PROPERTY, PLANT AND EQUIPMENT, NET

	March 31, 2025	December 31, 2024
Property, plant and equipment	\$ 2,515	\$ 2,454
Accumulated depreciation	(1,316)	(1,273)
Property, plant and equipment, net	<u>\$ 1,199</u>	<u>\$ 1,181</u>

Depreciation expense amounted to \$31 million for both the three months ended March 31, 2025 and 2024.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

(14) SUPPLIER FINANCE PROGRAMS

We maintain a voluntary supply chain financing (“SCF”) program with a global financial institution, which allows a select group of suppliers to sell their receivables to the participating financial institution at the discretion of both parties on terms that are negotiated between the supplier and the financial institution. The supplier invoices that have been confirmed as valid under the program are paid by us to the financial institution according to the terms we have with the supplier. Amounts outstanding under the SCF program were \$27 million and \$22 million at March 31, 2025 and December 31, 2024, respectively.

We also participate in a virtual card program with a global financial institution, in which we pay supplier invoices on the due date using a Virtual Card Account (“VCA”) and subsequently pay the balance in full 25 days after the billing statement date of the VCA. The program allows for suppliers to receive an accelerated payment for a fee at each supplier’s discretion. Fees paid by our suppliers are negotiated directly with the financial institution without our involvement. Amounts outstanding under the VCA program were \$8 million and \$6 million at March 31, 2025 and December 31, 2024, respectively.

The payment terms we have with our suppliers who participate in the SCF and VCA programs are consistent with the typical terms we have with our suppliers who do not participate. These financing arrangements are included in accounts payable within the condensed consolidated balance sheets and the associated payments are included in operating activities within the condensed consolidated statements of cash flows.

We have a supplier financing program in China which is utilized to finance the purchases of goods and services from our suppliers through local banking institutions. The payment terms under the program vary, but the program has a weighted average maturity date that is approximately 90 days from each respective financing inception. These financing arrangements are included in the current portion of borrowings within the condensed consolidated balance sheets and at the time of issuance each transaction is treated as a non-cash financing activity within the condensed consolidated statements of cash flows. Upon settlement of the financing, the cash outflow is classified as a financing activity within the condensed consolidated statements of cash flows. There were no balances outstanding under this program at March 31, 2025, and an immaterial amount was outstanding under this program at March 31, 2024. There were no cash outflows under this program for the three months ended March 31, 2025 and \$4 million of cash outflows for the three months ended March 31, 2024.

(15) BORROWINGS

Borrowings are summarized as follows:

	March 31, 2025	December 31, 2024
2029 Dollar Term Loans	\$ 1,698	\$ 1,702
2027 Dollar Senior Notes	500	500
2029 Dollar Senior Notes	700	700
2031 Dollar Senior Notes	500	500
Short-term and other borrowings	53	54
Unamortized original issue discount	(12)	(13)
Unamortized deferred financing costs	(21)	(22)
Total borrowings, net	3,418	3,421
Less:		
Short-term borrowings	3	3
Current portion of long-term borrowings	17	17
Long-term debt	\$ 3,398	\$ 3,401

Our senior secured credit facilities (the “Senior Secured Credit Facilities”) consist of a term loan due 2029 (the “2029 Dollar Term Loans”) and a revolving credit facility due 2029 (the “Revolving Credit Facility”) that is governed by a credit agreement (as amended, the “Credit Agreement”).

Revolving Credit Facility

At both March 31, 2025 and December 31, 2024, letters of credit issued under the Revolving Credit Facility totaled \$22 million, which reduced the availability under the Revolving Credit Facility as of such dates. Availability under the Revolving Credit Facility was \$778 million at March 31, 2025 and December 31, 2024. The letters of credit issued under the Revolving Credit Facility include \$14 million that secures Customer Obligation Guarantees at both March 31, 2025 and December 31, 2024.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Future repayments

Below is a schedule of required future repayments of all borrowings outstanding at March 31, 2025.

Remainder of 2025	\$	15
2026		21
2027		521
2028		21
2029		2,339
Thereafter		534
Total borrowings		3,451
Unamortized original issue discount		(12)
Unamortized deferred financing costs		(21)
Total borrowings, net	\$	3,418

(16) FINANCIAL INSTRUMENTS, HEDGING ACTIVITIES AND FAIR VALUE MEASUREMENTS**Fair value of financial instruments**

Equity securities with readily determinable fair values - Balances of equity securities are recorded within other assets, with any changes in fair value recorded within other expense, net. The fair values of equity securities are based upon quoted market prices, which are considered Level 1 inputs.

Long-term borrowings - The estimated fair values of these borrowings are based on recent trades, as reported by a third-party pricing service. Due to the infrequency of trades, these inputs are considered to be Level 2 inputs.

Derivative instruments - The Company's interest rate swaps, cross-currency swaps and foreign currency forward contracts are valued using broker quotations or market transactions in either the listed or over-the-counter markets. As such, these derivative instruments are included in the Level 2 hierarchy.

Fair value of contingent consideration

Contingent consideration is valued using a probability-weighted expected payment method that considers the timing of expected future cash flows and the probability of whether key elements of the contingent event are completed. The fair value of contingent consideration is valued at each balance sheet date, until amounts become payable, with adjustments recorded within other expense, net in the condensed consolidated statements of operations. Due to the significant unobservable inputs used in the valuations, these liabilities are categorized within Level 3 of the fair value hierarchy.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

The table below presents the fair values of our financial instruments measured on a recurring basis by level within the fair value hierarchy at March 31, 2025 and December 31, 2024.

	March 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Prepaid expenses and other current assets:								
Cross-currency swaps ⁽¹⁾	\$ —	\$ 9	\$ —	\$ 9	\$ —	\$ 12	\$ —	\$ 12
Other assets:								
Cross-currency swaps ⁽¹⁾	—	—	—	—	—	5	—	5
Investments in equity securities	1	—	—	1	1	—	—	1
Liabilities:								
Other accrued liabilities:								
Interest rate swaps ⁽²⁾	—	—	—	—	—	1	—	1
Cross-currency swaps ⁽¹⁾	—	4	—	4	—	—	—	—
Contingent consideration	—	—	2	2	—	—	2	2
Other liabilities:								
Cross-currency swaps ⁽¹⁾	—	12	—	12	—	—	—	—
Long-term borrowings:								
2029 Dollar Term Loans	—	1,698	—	1,698	—	1,709	—	1,709
2027 Dollar Senior Notes	—	492	—	492	—	490	—	490
2029 Dollar Senior Notes	—	641	—	641	—	637	—	637
2031 Dollar Senior Notes	—	517	—	517	—	519	—	519

(1) Net investment hedge

(2) Cash flow hedge

The table below presents a roll forward of activity for the Level 3 liabilities for the three months ended March 31, 2025.

	Fair Value Using Significant Unobservable Inputs (Level 3)
Beginning balance at December 31, 2024	\$ 2
Business acquisition	1
Foreign currency translation	(1)
Ending balance at March 31, 2025	\$ 2

Derivative Financial Instruments

We selectively use derivative instruments to reduce market risk associated with changes in foreign currency exchange rates and interest rates. The use of derivatives is intended for hedging purposes only, and we do not enter into derivative instruments for speculative purposes.

Derivative Instruments Qualifying and Designated as Cash Flow and Net Investment Hedges

The following table sets forth the locations and amounts recognized during the three months ended March 31, 2025 and 2024 for the Company's cash flow and net investment hedges.

Derivatives in Cash Flow and Net Investment Hedges	Location of Loss (Gain) Recognized in Income on Derivatives	Three Months Ended			
		March 31,		2024	
		2025	2024	2025	2024
		Net Amount of Loss Recognized in OCI on Derivatives	Amount of Gain Recognized in Income	Net Amount of Gain Recognized in OCI on Derivatives	Amount of Gain Recognized in Income
Cross-currency swaps	Interest expense, net	\$ 20	\$ (5)	\$ (33)	\$ (4)

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Derivative Instruments Not Designated as Cash Flow Hedges

We periodically enter into foreign currency forward and option contracts to reduce market risk and hedge our balance sheet exposures and cash flows for subsidiaries with exposures denominated in currencies different from the functional currency of the relevant subsidiary. These contracts have not been designated as hedges and all gains and losses are marked to market through other expense, net in the condensed consolidated statements of operations.

Fair value gains and losses of derivative contracts, as determined using Level 2 inputs, that have not been designated for hedge accounting treatment are recorded in earnings as follows:

Derivatives Not Designated as Hedging Instruments under ASC 815	Location of Loss (Gain) Recognized in Income on Derivatives	Three Months Ended March 31,	
		2025	2024
Foreign currency forward contracts	Other expense, net	\$ (5)	\$ (4)

(17) SEGMENTS

The Company identifies an operating segment as a component: (i) that engages in business activities from which it may earn revenues and incur expenses; (ii) whose operating results are regularly reviewed by the Chief Operating Decision Maker (“CODM”) to make decisions about resources to be allocated to the segment and assess its performance; and (iii) that has available discrete financial information.

We have two operating segments, which are also our reportable segments: Performance Coatings and Mobility Coatings. The CODM reviews financial information at the operating segment level to allocate resources and to assess the operating results and financial performance for each operating segment. Our CODM is identified as the Chief Executive Officer because he has final authority over performance assessment and resource allocation decisions. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

Through our Performance Coatings segment, we provide high-quality liquid and powder coatings solutions to both large regional and global original equipment manufacturers (“OEMs”) and to a fragmented and local customer base. These customers comprise independent or multi-shop operator body shops as well as a wide variety of industrial manufacturers. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets and reporting units within this segment are refinish and industrial.

Through our Mobility Coatings segment, we provide coatings technologies for light vehicle and commercial vehicle OEMs. These global customers are faced with evolving megatrends in electrification, sustainability, personalization and autonomous driving that require a high level of technical expertise. The OEMs require efficient, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed. The end-markets and reporting units within this segment are light vehicle and commercial vehicle.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Segment Adjusted EBITDA is the primary measure used by our CODM to evaluate financial performance of the operating segments and allocate resources and is therefore our measure of segment profitability in accordance with GAAP under ASC 280, *Segment Reporting*. Asset information is not reviewed or included with our internal management reporting. Therefore, we have not disclosed asset information for each reportable segment. The following tables present relevant information of our reportable segments.

	Three Months Ended March 31,	
	2025	2024
Net sales ⁽¹⁾ :		
Refinish	\$ 511	\$ 519
Industrial	311	329
Total Net sales Performance Coatings	822	848
Light Vehicle	340	342
Commercial Vehicle	100	104
Total Net sales Mobility Coatings	440	446
Total Net sales	\$ 1,262	\$ 1,294
Segment Adjusted EBITDA:		
Performance Coatings	\$ 197	\$ 196
Mobility Coatings	73	63
Total	\$ 270	\$ 259
	March 31, 2025	December 31, 2024
Investment in unconsolidated affiliates:		
Performance Coatings	\$ 2	\$ 2
Mobility Coatings	10	9
Total	\$ 12	\$ 11

(1) The Company has no intercompany sales between segments.

The following tables reconcile net sales to Segment Adjusted EBITDA for the periods presented:

	Three Months Ended March 31, 2025		
	Performance Coatings	Mobility Coatings	Total
Net sales	\$ 822	\$ 440	\$ 1,262
Segment cost of goods sold ⁽¹⁾	440	288	728
Other segment items ⁽²⁾	185	79	264
Segment Adjusted EBITDA	\$ 197	\$ 73	\$ 270
	Three Months Ended March 31, 2024		
	Performance Coatings	Mobility Coatings	Total
Net sales	\$ 848	\$ 446	\$ 1,294
Segment cost of goods sold ⁽¹⁾	459	301	760
Other segment items ⁽²⁾	193	82	275
Segment Adjusted EBITDA	\$ 196	\$ 63	\$ 259

(1) Certain amounts included in cost of goods sold on the consolidated statements of operations are excluded from Segment cost of goods sold regularly provided to the CODM.

(2) Other segment items for both segments include certain cost of goods sold not regularly provided to the CODM, selling, general and administrative expenses, other operating charges, research and development expenses, and other expense, net. Certain amounts included in Segment cost of goods sold, including depreciation, are excluded from Segment Adjusted EBITDA and are adjusted for in other segment items.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

The following table reconciles Segment Adjusted EBITDA to income before income taxes for the periods presented:

	Three Months Ended March 31,	
	2025	2024
Segment Adjusted EBITDA ⁽¹⁾ :		
Performance Coatings	\$ 197	\$ 196
Mobility Coatings	73	63
Total	270	259
Interest expense, net	44	54
Depreciation and amortization	70	68
Debt extinguishment and refinancing-related costs ^(a)	—	3
Termination benefits and other employee-related costs ^(b)	11	55
Acquisition and divestiture-related costs ^(c)	2	2
Site closure costs ^(d)	3	1
Foreign exchange remeasurement losses ^(e)	3	5
Long-term employee benefit plan adjustments ^(f)	3	3
Stock-based compensation ^(g)	5	6
Environmental charge ^(h)	—	4
Other adjustments ⁽ⁱ⁾	—	(1)
Income before income taxes	<u>\$ 129</u>	<u>\$ 59</u>

(1) The primary measure of segment operating performance is Segment Adjusted EBITDA, which is defined as net income before interest, taxes, depreciation, amortization and select other items impacting operating results. These other items impacting operating results are items that management has concluded are (i) non-cash items included within net income, (ii) items the Company does not believe are indicative of ongoing operating performance or (iii) non-recurring, 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. Segment Adjusted EBITDA 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 the Company's core operating performance, which represents Segment EBITDA adjusted for the select items referred to above.

- (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, consulting, legal and other employee-related costs associated with restructuring programs and other employee-related costs. These amounts are not considered indicative of our ongoing operating performance.
- (c) Represents acquisition and divestiture-related expenses and integration activities associated with our business combinations, all of which are not considered indicative of our ongoing operating performance.
- (d) Represents costs related to the closure of certain manufacturing sites, which we do not consider indicative of our ongoing operating performance.
- (e) Represents 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.
- (f) Represents the non-cash, non-service cost components of long-term employee benefit costs.
- (g) Represents non-cash impacts associated with stock-based compensation.
- (h) Represents costs related to certain environmental remediation activities, which are not considered indicative of our ongoing operating performance.
- (i) Represents costs for certain non-operational or non-cash gains, unrelated to our core business and which we do not consider indicative of our ongoing operating performance.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

Geographic Area Information:

The following tables provide disaggregated information related to our net sales and long-lived assets.

Net sales by region were as follows:

	Three Months Ended March 31,	
	2025	2024
North America	\$ 458	\$ 485
EMEA	446	465
Asia Pacific	215	198
Latin America ⁽¹⁾	143	146
Total ⁽²⁾	<u>\$ 1,262</u>	<u>\$ 1,294</u>

Net long-lived assets by region were as follows:

	March 31, 2025	December 31, 2024
North America	\$ 543	\$ 539
EMEA	370	362
Asia Pacific	184	185
Latin America ⁽¹⁾	102	95
Total ⁽³⁾	<u>\$ 1,199</u>	<u>\$ 1,181</u>

(1) Includes Mexico.

(2) Net sales are attributed to countries based on the customer's location. Sales to customers in China represented approximately 12%, and 10% of the total net sales for the three months ended March 31, 2025 and 2024, respectively. Sales to customers in Germany represented approximately 7% of the total for the three months ended March 31, 2025 and 2024. Sales to customers in Mexico represented 6% and 7% of the total for the three months ended March 31, 2025 and 2024, respectively. Sales to customers in Canada, which is included in the North America region, represented approximately 4%, and 3% of the total for the three months ended March 31, 2025 and 2024, respectively.

(3) Long-lived assets consist of property, plant and equipment, net. Germany long-lived assets amounted to approximately \$207 million and \$204 million at March 31, 2025 and December 31, 2024, respectively. China long-lived assets amounted to approximately \$154 million and \$156 million at March 31, 2025 and December 31, 2024, respectively. Mexico long-lived assets amounted to approximately \$67 million and \$63 million at March 31, 2025 and December 31, 2024, respectively. Canada long-lived assets, which are included in the North America region, amounted to approximately \$6 million at March 31, 2025 and December 31, 2024.

(18) ACCUMULATED OTHER COMPREHENSIVE LOSS

	Unrealized Currency Translation Adjustments	Pension Plan Adjustments	Unrealized Loss on Derivatives	Accumulated Other Comprehensive Loss
Balance, December 31, 2024	\$ (517)	\$ (64)	\$ (1)	\$ (582)
Current year deferrals to AOCI	66	—	—	66
Reclassifications from AOCI to Net income	(5)	1	—	(4)
Net Change	61	1	—	62
Balance, March 31, 2025	<u>\$ (456)</u>	<u>\$ (63)</u>	<u>\$ (1)</u>	<u>\$ (520)</u>

The cumulative income tax expense related to the adjustments for foreign exchange at March 31, 2025 was immaterial. The cumulative income tax benefit related to the adjustments for pension benefits at March 31, 2025 was \$27 million. The cumulative income tax expense related to the adjustments for the unrealized loss on derivatives at March 31, 2025 was immaterial. See Note 16 for classification within the condensed consolidated statements of operations of the gains and losses on derivatives reclassified from AOCI.

Notes to Condensed Consolidated Financial Statements (Unaudited)
(In millions, unless otherwise noted)

	Unrealized Currency Translation Adjustments	Pension Plan Adjustments	Unrealized Gain (Loss) on Derivatives	Accumulated Other Comprehensive Loss
Balance, December 31, 2023	\$ (374)	\$ (70)	\$ —	\$ (444)
Current year deferrals to AOCI	(41)	—	—	(41)
Reclassifications from AOCI to Net income	(4)	1	—	(3)
Net Change	(45)	1	—	(44)
Balance, March 31, 2024	\$ (419)	\$ (69)	\$ —	\$ (488)

The cumulative income tax expense related to the adjustments for foreign exchange at March 31, 2024 was immaterial. The cumulative income tax benefit related to the adjustments for pension benefits at March 31, 2024 was \$29 million. The cumulative income tax expense related to the adjustments for the unrealized gain on derivatives at March 31, 2024 was immaterial. See Note 16 for classification within the condensed consolidated statements of operations of the gains and losses on derivatives reclassified from AOCI.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the interim unaudited condensed consolidated financial statements and the condensed notes thereto included elsewhere in this Quarterly Report on Form 10-Q, as well as the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

FORWARD-LOOKING STATEMENTS

Many statements made in the following discussion and analysis of our financial condition and results of operations and elsewhere in this Quarterly Report on Form 10-Q that are not statements of historical fact, including statements about our beliefs and expectations, are "forward-looking statements" within the meaning of federal securities laws and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan, strategies and capital structure. These statements often include words such as "expect," "expected," "believe," "intended," "estimate," "estimated," "could," "would," "may," "will," "future," "plans," "forecasts," "forecasted" and "potential," and the negative of these words or other comparable or similar terminology. We base these forward-looking statements or projections on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances and at such time. As you read and consider this Quarterly Report on Form 10-Q, you should understand that these statements are not guarantees of performance or results. The forward-looking statements and projections are subject to and involve risks and uncertainties, including, but not limited to, economic, competitive, governmental, including tariffs recently imposed by the U.S. and retaliatory actions from other countries, geopolitical and technological factors outside of our control, as well as risks related to the execution of, and assumptions underlying, the 2024 Transformation Initiative, and our previously-announced three-year 2024-2026 strategy, that may cause our business, industry, strategy, financing activities or actual results to differ materially. More information on potential factors that could affect our financial results is available in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2024 as well as "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 and in other documents that we have filed with, or furnished to, the Securities and Exchange Commission (the "SEC"), and you should not place undue reliance on these forward-looking statements or projections. Although we believe that these forward-looking statements and projections are based on reasonable assumptions at the time they are made, you should be aware that many factors, including, but not limited to, those described in "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024, could affect our actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements and projections.

These forward-looking statements should not be construed by you to be exhaustive and are made only as of the date of this Quarterly Report on Form 10-Q. We undertake 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.

We use our investor relations page at ir.axalta.com as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure (or Reg. FD). Investors should routinely monitor that site, in addition to our press releases, SEC filings and public conference calls and webcasts, as information posted on that page could be deemed to be material information.

OVERVIEW

We are a leading global manufacturer, marketer and distributor of high-performance coatings systems and products. We have over a 150-year heritage in the coatings industry and are known for manufacturing high-quality products with well-recognized brands supported by market-leading technology and customer service. Our diverse global footprint of 43 manufacturing facilities, four technology centers, 45 customer training centers and approximately 12,900 team members, inclusive of team members added from recent acquisitions, allows us to meet the needs of customers in over 140 countries. We serve our customer base through an extensive sales force and technical support organization, as well as through approximately 5,000 independent, locally based distributors.

We operate our business in two operating segments, Performance Coatings and Mobility Coatings. Our segments are based on the type and concentration of customers served, service requirements, methods of distribution and major product lines.

Through our Performance Coatings segment, we provide high-quality sustainable liquid and powder coating solutions to both large regional and global customers and to a fragmented and local customer base. These customers comprise, among others, independent or multi-shop operator body shops as well as a wide variety of industrial manufacturers. We are one of only a few suppliers with the technology to provide precise color matching and highly durable coatings systems. The end-markets within this segment are refinish and industrial.

Through our Mobility Coatings segment, we provide coatings technologies for light vehicle and commercial vehicle OEMs. These global customers are faced with evolving megatrends in electrification, sustainability, personalization and autonomous driving that require a high level of technical expertise. The OEMs require efficient, environmentally responsible coatings systems that can be applied with a high degree of precision, consistency and speed. The end-markets within this segment are light vehicle and commercial vehicle.

BUSINESS HIGHLIGHTS

General Business Highlights

Our net sales decreased 2.5%, including a 2.7% headwind from unfavorable foreign currency translation, for the three months ended March 31, 2025 compared with the three months ended March 31, 2024. The decreased net sales were driven by the unfavorable foreign currency translation and lower sales volumes of 1.5%, partially offset by contributions of 1.1% from the acquisition of The CoverFlexx Group completed in July 2024 (the “CoverFlexx Acquisition”) and higher average selling prices and favorable product mix of 0.6%. The following trends impacted our segment net sales performance for the three months ended March 31, 2025:

- *Performance Coatings*: Net sales decreased 3.1% for the three months ended March 31, 2025 compared with the three months ended March 31, 2024. The decreased net sales were driven by lower sales volumes of 2.4% and a headwind from unfavorable foreign currency translation of 2.3% driven by fluctuations of the Euro and Mexican Peso, in each case compared to the U.S. Dollar, partially offset by contributions of 1.6% from the CoverFlexx Acquisition.
- *Mobility Coatings*: Net sales decreased 1.3% for the three months ended March 31, 2025 compared with the three months ended March 31, 2024. The decreased net sales were driven by a headwind from unfavorable foreign currency translation of 3.4% driven by fluctuations of the Mexican Peso, Brazilian Real and Euro, in each case compared to the U.S. Dollar, partially offset by higher average selling prices and favorable product mix of 1.8% and higher sales volumes of 0.3%.

Our business serves four end-markets globally with net sales for the three months ended March 31, 2025 and 2024, as follows:

(In millions)	Three Months Ended March 31,		2025 vs 2024
	2025	2024	% change
Performance Coatings			
Refinish	\$ 511	\$ 519	(1.5)%
Industrial	311	329	(5.6)%
Total Net sales Performance Coatings	822	848	(3.1)%
Mobility Coatings			
Light Vehicle	340	342	(0.8)%
Commercial Vehicle	100	104	(3.2)%
Total Net sales Mobility Coatings	440	446	(1.3)%
Total Net sales	\$ 1,262	\$ 1,294	(2.5)%

2024 Transformation Initiative

During February 2024, we announced the 2024 Transformation Initiative intended to simplify the Company’s organizational structure and enable us to be more proactive, responsive, and agile and to better serve our customers and to lower our cost base and improve financial performance and generate greater cash flows. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources” and Note 4 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

FACTORS AFFECTING OUR OPERATING RESULTS

There have been no changes in the factors affecting our operating results previously disclosed under such heading in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2024.

RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the information contained in the accompanying unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q. Our historical results of operations summarized and analyzed below may not necessarily reflect what will occur in the future.

Net sales

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Net sales	\$ 1,262	\$ 1,294	\$ (32)	(2.5)%
Exchange rate effect				(2.7)%
Volume effect				(1.5)%
Impact of CoverFlexx				1.1 %
Price/Mix effect				0.6 %

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Net sales decreased primarily due to the following:

- Unfavorable impacts of currency translation driven by fluctuations of the Mexican Peso, Euro and Brazilian Real, in each case compared to the U.S. Dollar
- Lower sales volumes driven by Performance Coatings

Partially offset by:

- Contributions from the CoverFlexx Acquisition
- Higher average selling prices and favorable product mix driven by Mobility Coatings

Cost of sales

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Cost of sales	\$ 829	\$ 865	\$ (36)	(4.2)%
% of net sales	65.7 %	66.8 %		

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Cost of sales decreased primarily due to the following:

- Favorable impacts of currency translation of 2.6% driven by fluctuations of the Mexican Peso, Euro and Brazilian Real, in each case compared to the U.S. Dollar
- Lower sales volumes driven by Performance Coatings, partially offset by contributions from the CoverFlexx Acquisition
- Decreased costs of \$5 million related to our multi-year enterprise resource planning (“ERP”) system implementation and productivity programs
- Lower operating expenses
- Lower variable input costs

Cost of sales as a percentage of net sales decreased primarily due to the following:

- Decreased costs of \$5 million related to our multi-year ERP system implementation and productivity programs
- Lower operating expenses
- Lower variable input costs
- Higher average selling prices and favorable product mix driven by Mobility Coatings

Selling, general and administrative expenses

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Selling, general and administrative expenses	\$ 202	\$ 207	\$ (5)	(2.4)%

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Selling, general and administrative expenses decreased primarily due to the following:

- Favorable impacts of currency translation of 2.4% driven by fluctuations of the Euro, Mexican Peso and Brazilian Real, in each case compared to the U.S. Dollar
- Lower operating expenses
- Decrease of \$2 million in commissions resulting from lower sales volumes

Partially offset by:

- Contributions from the CoverFlexx Acquisition
- Increase of \$1 million in bad debt expense

Other operating charges

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Other operating charges	\$ 14	\$ 61	\$ (47)	(77.0)%

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Other operating charges decreased primarily due to the following:

- Decrease of \$44 million in termination benefits and other employee-related costs primarily as a result of significantly higher costs associated with the 2024 Transformation Initiative in the prior year period
- Decrease of \$4 million from environmental remediation costs recognized in the prior year period

Research and development expenses

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Research and development expenses	\$ 17	\$ 18	\$ (1)	(5.6)%

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Research and development expenses remained generally consistent and impacts of currency translation were immaterial when compared to the prior year period.

Amortization of acquired intangibles

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Amortization of acquired intangibles	\$ 24	\$ 22	\$ 2	9.1 %

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Amortization of acquired intangibles increased due to the following:

- Increased amortization of \$2 million associated with assets acquired in the past 12 months
- Impacts of currency translation were immaterial when compared to the prior year period

Interest expense, net

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Interest expense, net	\$ 44	\$ 54	\$ (10)	(18.5)%

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Interest expense, net decreased primarily due to the following:

- Favorable impact of \$9 million attributable to lower principal and decreased variable interest rate on our 2029 Dollar Term Loans
- Increased benefit of \$1 million from derivative instruments

Other expense, net

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Other expense, net	\$ 3	\$ 8	\$ (5)	62.5 %

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Other expense, net decreased primarily due to the following:

- \$3 million debt extinguishment and refinancing-related costs recognized in the prior year period as part of the repricing of our 2029 Dollar Term Loans
- Favorable impact of foreign exchange losses of \$2 million when compared to the prior year period

Provision for income taxes

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Income before income taxes	\$ 129	\$ 59		
Provision for income taxes	30	20		
Statutory income tax rate ⁽¹⁾	15.0 %	21.0 %		
Effective tax rate	23.0 %	33.9 %		
Effective tax rate vs. statutory income tax rate	8.0 %	12.9 %		

- (1) The Government of Bermuda enacted the Bermuda Corporate Income Tax Act 2023 (“Bermuda CITA”), which imposes a 15% corporate income tax effective for tax years beginning on or after January 1, 2025. Prior to January 1, 2025, Bermuda did not impose a corporate income tax rate. For the three months ended March 31, 2025 the statutory income tax rate reflects the Bermuda statutory income tax rate. For the three months ended March 31, 2024, the statutory income tax rate reflects the U.S. federal statutory income tax rate.

Items impacting the effective tax rate vs. statutory income tax rate ⁽¹⁾	(Favorable) Unfavorable Impact Three Months Ended March 31,	
	2025	2024
Earnings generated in jurisdictions where the income tax rate is different from the statutory rate ⁽²⁾	\$ 2	\$ (6)
Changes in valuation allowance ⁽³⁾	8	16
Foreign exchange losses, net	(1)	(6)
Non-deductible expenses and interest	1	1
Changes in unrecognized tax benefits	(1)	2

- (1) The Government of Bermuda enacted the Bermuda CITA, which imposes a 15% corporate income tax effective for tax years beginning on or after January 1, 2025. Prior to January 1, 2025, Bermuda did not impose a corporate income tax rate. For the three months ended March 31, 2025 the statutory income tax rate reflects the Bermuda statutory income tax rate. For the three months ended March 31, 2024, the statutory income tax rate reflects the U.S. federal statutory income tax rate.
- (2) For the three months ended March 31, 2025, earnings generated in jurisdictions where the statutory rate is different from the Bermuda rate is primarily related to earnings in the U.S. and Switzerland. For the three months ended March 31, 2024, earnings generated in jurisdictions where the statutory rate is different from the U.S. Federal rate is primarily related to earnings in Bermuda, Germany, Luxembourg, and Switzerland.
- (3) Changes in valuation allowance primarily relates to operations in Luxembourg, the Netherlands, and the United Kingdom, including tax impacts of foreign exchange losses.

SEGMENT RESULTS

The Company's products and operations are managed and reported in two operating segments: Performance Coatings and Mobility Coatings. See Note 17 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

Performance Coatings Segment

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Net sales	\$ 822	\$ 848	\$ (26)	(3.1)%
Volume effect				(2.4)%
Exchange rate effect				(2.3)%
Impact of CoverFlexx				1.6 %
Adjusted EBITDA	\$ 197	\$ 196	\$ 1	1.0 %
Adjusted EBITDA Margin	24.1 %	23.1 %		

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Net sales decreased primarily due to the following:

- Lower sales volumes across both end-markets
- Unfavorable impacts of currency translation due primarily to fluctuations of the Euro and Mexican Peso, in each case, compared to the U.S. Dollar

Partially offset by:

- Contributions from the CoverFlexx Acquisition

Adjusted EBITDA and Adjusted EBITDA margin increased primarily due to the following:

- Decreased operating expenses
- Decreased costs of \$3 million related to our multi-year ERP system implementation and productivity programs compared to the prior year period
- Contributions from the CoverFlexx Acquisition

Partially offset by:

- Lower sales volumes across both end-markets
- Unfavorable impacts of currency translation due primarily to fluctuations of the Mexican Peso and Euro, in each case, compared to the U.S. Dollar

Mobility Coatings Segment

	Three Months Ended March 31,		2025 vs 2024	
	2025	2024	\$ Change	% Change
Net sales	\$ 440	\$ 446	\$ (6)	(1.3)%
Exchange rate effect				(3.4)%
Price/Mix effect				1.8 %
Volume effect				0.3 %
Adjusted EBITDA	\$ 73	\$ 63	\$ 10	14.5 %
Adjusted EBITDA Margin	16.5 %	14.2 %		

Three months ended March 31, 2025 compared to the three months ended March 31, 2024

Net sales decreased primarily due to the following:

- Unfavorable impacts of currency translation driven by fluctuations of the Mexican Peso, Brazilian Real and Euro, in each case compared to the U.S. Dollar

Partially offset by:

- Higher average selling prices and favorable product mix
- Higher sales volumes driven by the light vehicle end-market

Adjusted EBITDA and Adjusted EBITDA margin increased primarily due to the following:

- Higher average selling prices and favorable product mix
- Decreased variable input costs
- Decreased costs of \$2 million related to our multi-year ERP system implementation and productivity programs compared to the prior year period
- Decrease of \$1 million in inventory charges from obsolescence, quality and yield loss from manufacturing compared to the prior year period
- Higher sales volumes driven by the light vehicle end-market

Partially offset by:

- Unfavorable impacts of currency translation driven by the weakening of the Mexican Peso and Brazilian Real, in each case compared to the U.S. Dollar

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity are cash on hand, net cash provided by operating activities and available borrowing capacity under our Senior Secured Credit Facilities.

At March 31, 2025, availability under the Revolving Credit Facility was \$778 million, net of \$22 million of letters of credit outstanding. All such availability may be utilized without violating any covenants under the Credit Agreement or the indentures governing our senior notes (the "Senior Notes"). Our remaining available borrowing capacity under other lines of credit in certain non-U.S. jurisdictions totaled \$100 million and March 31, 2025.

We, or our affiliates, at any time and from time to time, may purchase shares of our common stock or the Senior Notes, and may prepay our 2029 Dollar Term Loans or other indebtedness. Any such purchases of our common stock or Senior Notes may be made through the open market or privately negotiated transactions with third parties or pursuant to one or more redemptions, tender or exchange offers or otherwise, upon such terms and at such prices, as well as with such consideration, as we, or any of our affiliates, may determine.

We have various supplier finance programs in place around the world. We partner with large banking institutions and utilize these programs to enhance our liquidity profile. Depending on the program, the liabilities under the program are classified either as accounts payable or current portion of borrowings on our unaudited condensed consolidated balance sheets. Our supplier financing programs are more fully described in Note 14 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

During February 2024, we announced the 2024 Transformation Initiative intended to simplify the Company's organizational structure and enable us to be more proactive, responsive, and agile and to better serve our customers and to lower our cost base and improve financial performance and generate greater cash flows. Total cash expenditures related to the 2024 Transformation Initiative are expected to be approximately \$105-115 million. We estimate that, once fully executed, the 2024 Transformation Initiative will yield net savings, inclusive of non-labor savings and costs for backfilling certain roles, of approximately \$75 million on an annualized basis. We realized approximately \$20 million of the run-rate savings from the 2024 Transformation Initiative in 2024, which was better than expected, and expect \$30-40 million to be realized in 2025 with the full run-rate previously forecasted to be realized during 2026. See Note 4 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information.

Cash Flows

(In millions)	Three Months Ended March 31,	
	2025	2024
Net cash provided by (used for):		
Operating activities:		
Net income	\$ 99	\$ 39
Depreciation and amortization	70	68
Amortization of deferred financing costs and original issue discount	2	2
Debt extinguishment and refinancing-related costs	—	3
Deferred income taxes	8	6
Realized and unrealized foreign exchange losses, net	8	9
Stock-based compensation	5	6
Interest income on swaps designated as net investment hedges	(3)	(3)
Other non-cash, net	(1)	2
Net income adjusted for non-cash items	188	132
Changes in operating assets and liabilities	(162)	(98)
Operating activities	26	34
Investing activities	(44)	(19)
Financing activities	(8)	(82)
Effect of exchange rate changes on cash	8	(9)
Net increase (decrease) in cash	\$ (18)	\$ (76)

Three months ended March 31, 2025

Net Cash Provided by Operating Activities

Net cash provided by operating activities for the three months ended March 31, 2025 was \$26 million. Net income before deducting depreciation, amortization and other non-cash items generated cash of \$188 million. This was partially offset by net uses of working capital of \$162 million, for which the most significant drivers were decreases in other accrued liabilities of \$106 million as well as increases in prepaid expenses and other assets, inventories and accounts and notes receivable of \$59 million, \$37 million and \$18 million, respectively. These outflows were driven primarily by seasonal cash payments for variable incentive compensation, payments of BIPs and rebates, increased production and timing of collections from customers. These outflows were partially offset by increases in accounts payable of \$66 million driven by timing of payments to vendors.

Net Cash Used for Investing Activities

Net cash used for investing activities for the three months ended March 31, 2025 was \$44 million. The primary uses were for purchases of property, plant and equipment of \$43 million and a business acquisition of \$6 million, partially offset by proceeds of \$3 million from interest proceeds from swaps designated as net investment hedges, which are discussed further in Note 16 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

Net Cash Used for Financing Activities

Net cash used for financing activities for the three months ended March 31, 2025 was \$8 million. The primary use was for contractual debt repayments of \$5 million.

Other Impacts on Cash

Currency exchange impacts on cash for the three months ended March 31, 2025 were favorable by \$8 million, which was driven primarily by the fluctuations of the Euro and Brazilian Real, in each case compared to the U.S. Dollar.

Three months ended March 31, 2024

Net Cash Provided by Operating Activities

Net cash provided by operating activities for the three months ended March 31, 2024 was \$34 million. Net income before deducting depreciation, amortization and other non-cash items generated cash of \$132 million. This was partially offset by net uses of working capital of \$98 million, for which the most significant drivers were decreases in other accrued liabilities of \$75 million as well as increases in prepaid expenses and other assets and inventories of \$40 million and \$20 million, respectively. These outflows were driven primarily by seasonal cash payments for variable incentive compensation, payments of BIPs and increased production. These outflows were partially offset by increases in other liabilities of \$22 million largely driven by accruals related to the 2024 Transformation Initiative and timing of payments and accounts payable of \$11 million driven by timing of payments to vendors.

Net Cash Used for Investing Activities

Net cash used for investing activities for the three months ended March 31, 2024 was \$19 million. The primary use was for purchases of property, plant and equipment of \$22 million, partially offset by proceeds of \$3 million from interest proceeds from swaps designated as net investment hedges.

Net Cash Used for Financing Activities

Net cash used for financing activities for the three months ended March 31, 2024 was \$82 million. The primary uses were prepayments of \$75 million of the outstanding principal amount of the 2029 Dollar Term Loans, contractual repayments of \$6 million on borrowings and payments of \$2 million for fees associated with repricing our 2029 Dollar Term Loans in March 2024. The 2029 Dollar Term Loans repricing resulted in \$107 million of constructive financing cash inflows and corresponding constructive financing cash outflows.

Other Impacts on Cash

Currency exchange impacts on cash for the three months ended March 31, 2024 were unfavorable by \$9 million, which was driven primarily by the fluctuations of the Euro compared to the U.S. Dollar.

Financial Condition

We had cash and cash equivalents at March 31, 2025 and December 31, 2024 of \$575 million and \$593 million, respectively. Of these balances, \$418 million and \$497 million were maintained in non-U.S. jurisdictions as of March 31, 2025 and December 31, 2024, respectively. We believe at this time our organizational structure allows us the necessary flexibility to move funds throughout our subsidiaries to meet our operational and working capital needs.

Our business may not generate sufficient cash flow from operations and future borrowings may not be available under our Senior Secured Credit Facilities in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs, including planned capital expenditures. In such circumstances, we may need to refinance all or a portion of our indebtedness on or before maturity. We may not be able to refinance any of our indebtedness on commercially reasonable terms or at all. If we cannot service our indebtedness, we may have to take actions such as selling assets, selling additional equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances. Our primary sources of liquidity are cash on hand, cash flow from operations and available borrowing capacity under our Senior Secured Credit Facilities. Based on our forecasts, we believe that cash flow from operations, available cash on hand and available borrowing capacity under our Senior Secured Credit Facilities and other existing lines of credit will be adequate to service debt, fund our cost saving initiatives, meet liquidity needs and fund necessary capital expenditures for the next twelve months.

Our ability to make scheduled payments of principal or interest on, or to refinance, our indebtedness or to fund working capital requirements, capital expenditures and other current obligations will depend on our ability to generate cash from operations. Such cash generation is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

If required, our ability to raise additional financing and our borrowing costs may be impacted by short and long-term debt ratings assigned by independent rating agencies, which are based, in significant part, on our performance as measured by certain credit metrics such as interest coverage and leverage ratios. Our highly leveraged nature may limit our ability to procure additional financing in the future and elevated interest rate environments may increase our interest expense and weaken our financial condition.

Our indebtedness, including the Senior Secured Credit Facilities, Senior Notes and short-term borrowings, is more fully described in Note 15 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q and in Note 19 to the audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2024.

We believe that we continue to maintain sufficient liquidity to meet our cash requirements, including our debt service obligations as well as our working capital needs. Availability under the Revolving Credit Facility was \$778 million at March 31, 2025 and December 31, 2024, all of which may be borrowed by us without violating any covenants under the Credit Agreement or the indentures governing the Senior Notes.

Contractual Obligations

Information related to our material contractual obligations and cash requirements can be found in Note 7 and Note 19 to the audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes in the Company's contractual obligations and cash requirements as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Off-Balance Sheet Arrangements

See Note 5 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for disclosure of our guarantees of certain customers' obligations to third parties.

Recent Accounting Guidance

See Note 1 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for a summary of recent accounting guidance.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the financial statements. The preparation of our unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q requires us to make estimates and judgments that affect the amounts reported in the financial statements. We base our estimates and judgments on historical experiences and assumptions believed to be reasonable under the circumstances and re-evaluate them on an ongoing basis. Actual results could differ from our estimates under different assumptions or conditions. There have been no material changes to our critical accounting policies and estimates previously disclosed under "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates" in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the market risks previously disclosed in Part II, Item 7A of the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

As required by Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934 (the "Exchange Act"), the Company carried out an evaluation, under the supervision and with the participation of management, including its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. No matter how well designed and operated, disclosure controls and procedures can provide only reasonable, rather than absolute, assurance of achieving the desired control objectives. Based on the foregoing, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of March 31, 2025.

Changes in internal control over financial reporting

There were no changes in the Company's internal control over financial reporting that occurred during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are from time to time party to legal proceedings that arise in the ordinary course of business. We are not involved in any litigation other than that which has arisen in the ordinary course of business. We do not expect that any currently pending lawsuits will have a material adverse effect on us as discussed in Note 5 to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q.

SEC regulations require disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that the Company reasonably believes will exceed a specified threshold. Consistent with SEC rules, we will be using a threshold of \$1 million for such proceedings. At this time, the Company is not aware of any matters that exceed this threshold and that meet the other conditions for disclosure pursuant to this requirement.

ITEM 1A. RISK FACTORS

There have been no material changes in our risk factors from those previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

(a) None.

(b) None.

(c) During the three months ended March 31, 2025, no director or “officer” of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408 of Regulation S-K.

ITEM 6. EXHIBITS

EXHIBIT NO.	DESCRIPTION OF EXHIBITS
10.1 ^{^*}	Form of Performance Share Unit Award Agreement for U.S. Employees (Adjusted EPS)
10.2 ^{^*}	Form of Performance Share Unit Award Agreement for U.S. Employees (Relative TSR)
10.3 ^{^*}	Form of Restricted Stock Unit Award Agreement for U.S. Employees
10.4	Separation and Release Agreement, dated as of January 24, 2025, between Axalta Coating Systems Ltd. and Shelley Bausch[^]
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1 [†]	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2 [†]	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	INS - Inline XBRL Instance Document. The document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document
101	SCH - Inline XBRL Taxonomy Extension Schema Document
101	CAL - Inline XBRL Taxonomy Extension Calculation Linkbase Document
101	DEF - Inline XBRL Taxonomy Extension Definition Linkbase Document
101	LAB - Inline XBRL Taxonomy Extension Label Linkbase Document
101	PRE - Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
[^]	Denotes management contract or compensatory plan or arrangement.
*	Certain terms in this Exhibit have been redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish to the SEC an unredacted copy of this Exhibit to the SEC upon its request.
[†]	This certificate is being furnished solely to accompany the report pursuant to 18 U.S.C. Section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned duly authorized.

AXALTA COATING SYSTEMS LTD.

Date: May 7, 2025

By: /s/ Chris Villavarayan
Chris Villavarayan
Chief Executive Officer and President
(Principal Executive Officer)

Date: May 7, 2025

By: /s/ Carl D. Anderson II
Carl D. Anderson II
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: May 7, 2025

By: /s/ Anthony Massey
Anthony Massey
Vice President and Global Controller
(Principal Accounting Officer)

Certain terms in this Exhibit have been redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish to the SEC an unredacted copy of this Exhibit to the SEC upon its request

**AXALTA COATING SYSTEMS LTD.
SECOND AMENDED AND RESTATED 2014 INCENTIVE AWARD PLAN**

PERFORMANCE SHARE UNIT GRANT NOTICE

Axalta Coating Systems Ltd., a Bermuda exempted limited liability company (the “Company”), pursuant to its Second Amended and Restated 2014 Incentive Award Plan, as amended from time to time (the “Plan”), hereby grants to the holder listed below (“Participant”) the number of performance share units (the “PSUs”) set forth below. The PSUs are subject to the performance criteria and other terms and conditions set forth in this Performance Share Unit Grant Notice (the “Grant Notice”) and the Performance Share Unit Agreement attached hereto as Exhibit A, including Appendix 1 (Vesting) and Appendix 2 (Confidentiality and Business Protection Agreement) thereto (the “Agreement”) and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:

Grant Date:

[]

Notwithstanding the number of Target PSUs, the number of PSUs that are eligible to vest pursuant to this Agreement range from [] to []% of the Target PSUs.

Target Number of PSUs (the “Target PSUs”):

Type of Shares Issuable:

Common Stock

Vesting Schedule:

The PSUs will vest in accordance with the terms of this Agreement and the vesting schedule set forth in Appendix 1.

By Participant’s signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

AXALTA COATING SYSTEMS LTD.

PARTICIPANT

By:

Print Name:

Title:

By:

Print Name:



EXHIBIT A
TO PERFORMANCE SHARE UNIT GRANT NOTICE
PERFORMANCE SHARE UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the Target PSUs set forth in the Grant Notice. The actual number of PSUs that are eligible to vest pursuant to this Agreement range from [] to []% of the Target PSUs based upon the performance metrics set forth on Appendix 1 during the Performance Period (as defined in Appendix 1) and subject to forfeiture, in each case, as set forth in Article II below and the terms of the Plan.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The PSUs and the shares of Common Stock issued to Participant hereunder (“Shares”) are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control, except with respect to the definition of Change in Control as defined in this Agreement.

ARTICLE II.

AWARD OF PERFORMANCE SHARE UNITS AND DIVIDEND EQUIVALENTS

2.1 Award of PSUs and Dividend Equivalents.

(a) In consideration of Participant’s past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the “Grant Date”), the Company has granted to Participant the Target PSUs upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Section 13.2 of the Plan. Each PSU represents the right to receive one Share or, at the option of the Company, an amount of cash as set forth in Section 2.3(b), in either case, at the times and subject to the conditions set forth herein. However, unless and until the PSUs have vested, Participant will have no right to the distribution or payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the PSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each PSU that vests pursuant to this Agreement for all ordinary cash dividends which are paid to all or substantially all holders of the outstanding Shares for which the record date occurs between the Grant Date and the date when the applicable PSU is distributed in Shares or paid in cash to Participant or is forfeited or expires. The Dividend Equivalents for each PSU shall be equal to the amount of cash which is paid as a dividend on one share of Common Stock. All such Dividend Equivalents shall be credited to Participant and paid in cash at the same time as the distribution or payment is made in respect of the PSU to which such Dividend Equivalent relates in accordance with Section 2.3 below. Any

Dividend Equivalents that relate to PSUs that are forfeited shall likewise be forfeited without consideration.

2.2 Vesting of PSUs and Dividend Equivalents.

(a) *Vesting Schedule.* Subject to Sections 2.2(b), (c) and (e) below and subject to the terms of this Agreement, the PSUs shall vest, if at all, in amounts up to []% of the Target PSUs (the "Maximum PSUs") on the Determination Date, in accordance with Appendix 1.

(b) *Effect of Termination of Service.* Notwithstanding any contrary provision of this Agreement, except as otherwise provided in Section 2.2(c)(i)(A) and Section 2.2(e), as determined by the Administrator or as set forth in a written agreement between Participant and the Company, upon Participant's Termination of Service prior to the date the PSUs are determined to vest pursuant to this Agreement, any and all PSUs and Dividend Equivalents shall immediately be forfeited and Participant's rights with respect thereto shall lapse and expire; provided that in the event of Participant's Termination of Service prior to the date the PSUs are determined to vest is (i) by the Company by reason of Participant's Disability or (ii) by reason of death, the Target PSUs (or if such Termination of Service occurs after a Change in Control, then the number of PSUs determined pursuant to Section 2.3(c)(i)) and related Dividend Equivalents shall immediately vest in full and be settled in accordance with Section 2.3(a); provided further, if such Participant's Termination of Service due to death or Disability would also be deemed a Qualifying Retirement, and if it is subsequently determined that such Participant would have vested in a greater number of PSUs pursuant to Section 2.2(e) (determined without regards to clause (vi) thereof), then Participant's (or Participant's estate or beneficiary) shall vest in an additional number of PSUs (and related Dividend Equivalents) equal to the number of PSUs Participant would have received pursuant to Section 2.2(e) less the Target PSUs.

(c) *Change in Control.*

(i) Notwithstanding any contrary provision of this Agreement, if a Change in Control occurs prior to the day immediately prior to the third anniversary of the Grant Date, the number of PSUs determined to vest pursuant to the Change in Control section of Appendix 1 shall vest on (x) [], if the Change in Control occurs prior to the last day of the Performance Period and (y) immediately prior to (and subject to the consummation of) the Change in Control, if the Change in Control occurs on or after the last day of the Performance Period, subject, in either case, to Participant not incurring a Termination of Service prior to such date; provided, that, subject to clause (c)(ii) below, such unvested PSUs shall immediately vest and be settled in accordance with Section 2.3(a) (A) in the event of Participant's Termination of Service by the Company without Cause or by Participant for Good Reason, in each case, within two (2) years after the Change in Control, (B) immediately prior to (and subject to the consummation of) the Change in Control in the event the successor corporation (or any of its parent entities) does not assume or substitute the unvested PSUs for equivalent rights in connection with such Change in Control, or (C) in the event of Participant's Termination of Service by the Company by reason of Participant's Disability or by reason of death as provided in Section 2.2(b).

(ii) As a condition to any accelerated vesting of the PSUs as set forth in Section 2.2(c)(i)(A) above, Participant shall, within the thirty (30) day period following the date of Participant's Termination of Service, or such longer period as may be required under applicable law to obtain an effective release of claims, execute and not revoke a general release of all claims, including all known and unknown and current and potential claims, in favor of the Company and its affiliates in either (A) a form provided to Participant by the Company or (B) if Participant is party to a severance or

employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, the form of release of claims applicable to Participant under such agreement or policy.

(d) *Failure to Achieve Maximum Performance.* Subject to Sections 2.2(b) and (c), in the event the PSUs do not vest at the maximum level in accordance with the provisions of Section 2.2(a), such PSUs that do not vest in accordance with the provisions of Section 2.2(a) shall be forfeited and Participant's rights in any such PSUs and related Dividend Equivalents shall lapse and expire.

(e) *Retirement Provisions.* In the event that Participant is an Employee, upon Participant's Qualifying Retirement, the following treatment will apply with respect to the PSUs granted hereunder:

(i) all requirements for Participant to continue to provide services to the Company or its Subsidiaries in order to vest in such PSUs shall be waived effective as of the Qualifying Retirement Date;

(ii) the number of PSUs held by Participant hereunder shall be pro-rated by multiplying the target number of PSUs issued hereunder by the Pro-Rata Fraction, resulting in the "Pro-Rata Target Number", with the remainder being forfeited as of the Qualifying Retirement Date;

(iii) the number of PSUs that Participant shall vest in, if any, shall be determined by applying the performance conditions set forth in Appendix 1 to the applicable Pro-Rata Target Number, and Participant shall also vest in the applicable number of Dividend Equivalents;

(iv) notwithstanding anything herein to the contrary, if the PSUs are determined to no longer be subject to a "substantial risk of forfeiture" within the meaning of Section 409A of the Code, the PSUs shall be settled and distributed to Participant no later than March 15 of the year following the year in which they are no longer subject to such substantial risk of forfeiture;

(v) in the event Participant would receive more favorable treatment upon a Termination of Service following a Change in Control under Section 2.2(c), then such treatment shall apply in lieu of that described under this Section 2.2(e);

(vi) in the event that the timing component in the proviso to the definition of "Qualifying Retirement" is satisfied by Participant's Termination of Service due to Participant's death or Disability pursuant to clause (B)(2) of such proviso, then the vesting of PSUs hereunder shall be determined in accordance with Section 2.2(b) hereof including the provisos thereto; and

(vii) for the avoidance of doubt, all other terms and conditions of the PSUs shall continue to apply, including any terms and conditions related to performance-based vesting criteria and the timing and form of payment.

For the avoidance of doubt, where an award of PSUs consists of multiple, independent performance periods, Section 2.2(e) shall be applied independently to each performance period and the appropriate number of target PSUs. As an example, if a PSU award consists of three one-year performance periods and one three-year performance period (covering the same years as the three one-year periods), each separately applying to 25% of the PSUs, and Participant has a Qualifying Retirement half-way through the third year, then Participant will remain eligible to vest in 100% of the PSUs for the

first two one-year performance periods, 50% of the PSUs for the third one-year performance period and five-sixths of the PSUs for the three-year performance period.

2.3 Distribution or Payment of PSUs.

(a) Participant's PSUs shall be distributed in Shares (either in book-entry form or otherwise) or, at the option of the Company, paid in an amount of cash as set forth in Section 2.3(b), in either case, as soon as administratively practicable following the vesting of the applicable PSU pursuant to Section 2.2, and, in any event, within sixty (60) days following such vesting. Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of PSUs if it reasonably determines that such payment or distribution will violate federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A of the Code. All distributions made in Shares shall be made by the Company in the form of whole Shares.

(b) In the event that the Company elects to make payment of Participant's PSUs in cash, the amount of cash payable with respect to each PSU shall be equal to the Fair Market Value of a Share on the day immediately preceding the applicable distribution or payment date set forth in Section 2.3(a).

2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares prior to the fulfillment of all of the following conditions: (A) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (B) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (C) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, and (D) the receipt of full payment of any applicable withholding tax in accordance with Section 2.5 by the Company or its Subsidiary with respect to which the applicable withholding obligation arises.

2.5 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) Participant shall be required to remit to the Company, or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. With respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the PSUs, unless Participant makes an advance election pursuant to this Section 2.5(a), the Company shall withhold a net number of Shares otherwise issuable pursuant to the PSUs having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries for federal, state, local and foreign income and payroll taxes, up to the maximum statutory withholding rate. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company to complete the withholding described in the previous sentence. Alternatively, Participant may elect to satisfy such tax withholding obligations in one or more of the forms specified below, provided such election is made in accordance with any advance notice requirements that the Company may establish for this purpose:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) with respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the PSUs, unless otherwise determined by the Administrator, by requesting that the Company and its Subsidiaries instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those Shares then issuable to Participant pursuant to the PSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises;

(iii) with respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the PSUs, unless otherwise determined by the Administrator, by tendering to the Company vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries for federal, state, local and foreign income and payroll taxes, up to the maximum statutory withholding rate; or

(iv) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the PSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to (i) deduct such amounts from other compensation payable to Participant and/or (ii) treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a)(ii) above. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the PSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the PSUs or any other taxable event related to the PSUs. The Company may refuse to issue any Shares in settlement of the PSUs to Participant until the foregoing tax withholding obligations are satisfied, *provided* that no payment shall be delayed under this Section 2.5(b) if such delay will result in a violation of Section 409A of the Code.

(c) Participant is ultimately liable and responsible for all taxes owed in connection with the PSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the PSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting, distribution or payment of the PSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the PSUs to reduce or eliminate Participant's tax liability.

2.6 Rights as Shareholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the exclusive power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

3.2 PSUs Not Transferable. The PSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the PSUs have been issued, and all restrictions applicable to such Shares have lapsed. No PSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

3.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the PSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the PSUs and the Shares subject to the PSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 13.2 of the Plan.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Chief Human Resources Officer of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the PSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by

Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

3.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the PSUs in any material way without the prior written consent of Participant.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 3.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the PSUs, the Dividend Equivalents, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit or appendix hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof; provided, however, that (i) if Participant is party to a severance or employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, in either case, that provides greater vesting protection to Participant, then the PSUs shall be treated in accordance with the applicable terms of such agreement or policy; and (ii) if Participant is party to the Company's Executive Restrictive Covenant and Severance Agreement or other severance, non-compete, employment or similar agreement with the Company or any of its affiliates that includes the same or similar restrictive covenants as those in Appendix 2, then Appendix 2 shall not apply to Participant. For the avoidance of doubt, the Company's Restrictive Covenant and Severance Policy does not constitute an agreement with the same or similar covenants as Appendix 2.

3.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the

Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. Without limiting the generality of the foregoing, if, at the time of Participant's separation from service (within the meaning of Section 409A), (a) Participant is a specified employee (within the meaning of Section 409A and using the identification methodology selected by the Company from time to time) and (b) the Company makes a good faith determination that an amount payable pursuant to this Agreement constitutes deferred compensation (within the meaning of Section 409A) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company shall not pay such amount on the otherwise scheduled payment date but shall instead pay it on the first business day after such six-month period. Such amount shall be paid without interest.

3.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the PSUs and Dividend Equivalents.

3.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

3.17 Broker-Assisted Sales. In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 2.5(a): (A) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

3.18 Recoupment. Notwithstanding any other provision of the Agreement to the contrary, Participant acknowledges and agrees that all Shares acquired pursuant to the Plan, under this Agreement

or otherwise, shall be and remain subject to any incentive compensation recoupment policy of the Company currently in effect or as may be adopted by the Company and, in each case, as may be amended from time to time. No such policy adoption or amendment shall require Participant's prior consent. For purposes of the foregoing, Participant expressly and explicitly authorizes the Company to issue instructions, on Participant's behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold Participant's Shares, and other amounts acquired under the Plan to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company.

3.19 Definitions. For purposes of this Agreement, the following definitions shall apply:

(a) "Cause" means any of the following: (i) if Participant is a party to a written employment or severance agreement with the Company or any of its Subsidiaries in which the term "cause" is defined (a "Relevant Agreement"), "Cause" as defined in the Relevant Agreement and (ii) if no Relevant Agreement exists or "cause" is not defined therein, (A) Participant's failure to (x) substantially perform his or her duties with the Company (other than any such failure resulting from Participant's Disability) or (y) comply with, in any material respect, any of the Company's policies; (B) the Company's determination that Participant failed in any material respect to carry out or comply with any lawful and reasonable directive of the Board; (C) Participant's breach of a material provision of this Agreement or any Relevant Agreement or any employment or similar agreement between the Company or any of its Subsidiaries and Participant; (D) Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or crime involving moral turpitude; (E) Participant's unlawful use (including being under the influence) or possession of illegal drugs on the Company's (or any of its affiliate's) premises or while performing Participant's duties and responsibilities for the Company; or (F) Participant's commission of an act of fraud, embezzlement, misappropriation, willful misconduct, or breach of fiduciary duty against the Company or any of its affiliates. Notwithstanding the foregoing, in the case of clauses (A), (B) and (C) above, no Cause will have occurred unless and until the Company has: (a) provided Participant written notice describing the applicable facts and circumstances underlying such finding of Cause; and (b) provided Participant with an opportunity to cure the same within 30 days after the receipt of such notice; provided, however, that Participant shall be provided only one cure opportunity per category of Cause event in any rolling six (6) month period. If Participant fails to cure the same within such 30 days, then "Cause" shall be deemed to have occurred as of the expiration of the 30-day cure period.

(b) "Change in Control" means and includes, notwithstanding anything to the contrary in the Plan, each of the following: (A) a transaction or series of transactions occurring after the Grant Date whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d) (2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing 30% or more of the total combined voting power of the Company's securities outstanding immediately after such transaction; (B) during any 12 month period, individuals who, at the beginning of such period, constitute the Board together with any new members of the Board whose election by the Board or nomination for election by the Company's members was approved by a vote of at least two-thirds of the members of the Board then still in office who either were members of the Board at the beginning of the one-year period or whose election or nomination for election was previously so approved (other than (x) an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under

the Exchange Act, and (y) any member of the Board whose initial assumption of office during such 12 month period in connection with a transaction described in clause (C)(x) below that occurs with a non-affiliate third party), cease for any reason to constitute a majority thereof; or (C) the consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) after the Grant Date of (x) a merger, consolidation, reorganization, or business combination, (y) a sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the Company's assets, or (z) the acquisition of assets or stock of another entity, other than a transaction:

(i) in the case of clauses (A) and (C), which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity") directly or indirectly, more than seventy percent (70%) of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) in the case of clause (C), after which no person or group beneficially owns voting securities representing 30% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this clause (ii) as beneficially owning 30% or more of combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

(c) "Change in Control Determination Date" means any date within thirty days prior to the date of a Change in Control, as determined by the Administrator.

(d) "Determination Date" means the date the Administrator determines the number of PSUs that shall vest pursuant to Section 2.2(a), which date shall be no later than [].

(e) "Disability" shall mean the following: (a) if Participant is a party to an employment, severance or similar agreement with the Company or any of its affiliates in which "disability" or term of like import is defined, "Disability" or term of like import as defined in such agreement and (b) if no such agreement exists, at any time the Company or any of its affiliates sponsors a long-term disability plan for the Company's employees, "disability" as defined in such long-term disability plan for the purpose of determining a participant's eligibility for benefits, provided, however, if the long-term disability plan contains multiple definitions of disability, "Disability" shall refer to that definition of disability which, if Participant qualified for such disability benefits, would provide coverage for the longest period of time. The determination of whether Participant has a Disability shall be made by the person or persons required to make disability determinations under the long-term disability plan. At any time the Company does not sponsor a long-term disability plan for its employees, Disability shall mean Participant's inability to perform, with or without reasonable accommodation, the essential functions of Participant's position for a total of three months during any six-month period as a result of incapacity due to mental or physical illness as determined by a physician selected by the Company or its insurers and acceptable to Participant or Participant's legal representative, with such agreement as to acceptability not to be unreasonably withheld or delayed.

(f) "Good Reason" means (i) if Participant is a party to a Relevant Agreement in which the term "good reason" is defined, "Good Reason" as defined in the Relevant Agreement and (ii) if

no Relevant Agreement exists or “good reason” is not defined therein, the occurrence of any of the following events or conditions without Participant’s written consent: (A) a decrease in Participant’s annual base salary at the rate in effect on the day prior to the date of Participant’s Termination of Service (without regard to any decrease that may occur after the date of a Change in Control), other than a reduction of less than 10% that is implemented in connection with a contemporaneous reduction in annual base salaries affecting other similarly situated employees of the Company, (B) a material decrease in Participant’s authority or areas of responsibility as are commensurate with such Participant’s title or position, or (C) the relocation of Participant’s primary office to a location more than 35 miles from Participant’s then-current primary office location. Participant must provide written notice to the Company of the occurrence of any of the foregoing events or conditions within ninety (90) days of the occurrence of such event or the date upon which Participant reasonably became aware that such an event or condition had occurred. The Company or any successor or affiliate shall have a period of thirty (30) days to cure such event or condition after receipt of written notice of such event from Participant. Any voluntary termination for “Good Reason” following such thirty (30) day cure period must occur no later than the date that is one (1) year following the date notice was provided by Participant. Participant’s voluntary “separation from service” within the meaning of Section 409A by reason of resignation from employment with the Company for Good Reason shall be treated as involuntary.

(g) “Performance Period” means the period beginning on [] and ending on [].

(h) “Pro-Rata Fraction” equals (1) the number of days elapsed from the Grant Date through the Qualifying Retirement Date, *divided by* (2) the total number of days from the Grant Date through the third anniversary of the Grant Date.

(i) “Qualifying Retirement” shall mean that Participant (i) (a) voluntarily retires from the employ of the Company or its Subsidiaries, or (b) is terminated by the Company or its Subsidiaries without Cause, and (ii) at the time of such retirement or termination, (x) is at least [] years old and (y) the sum of the number of whole years in such holder’s age plus each year of service to the Company and its Subsidiaries equals at least []. Notwithstanding anything to the contrary herein, in order for any such retirement to be a Qualifying Retirement, in the case of clause “(i)(a)” above, Participant: (A) has given written notice, in form reasonably satisfactory to the Company or the applicable Subsidiary, to Participant’s supervisor, with a copy to the Chief Human Resources Officer of the Company (or, if Participant is the Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that (1) specifies Participant’s intent to retire from the Company or its Subsidiaries and the particular intended date of such retirement, which must be at least 30 days after the date such written notice is given, and (2) has not been preceded by notice from the Company or its Subsidiaries to Participant of the actual or impending termination of employment of Participant by the Company or its Subsidiaries; (B) has remained employed by the Company or its Subsidiaries until the earlier of (1) the particular intended date of such retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and Participant) and (2) the date on which Participant experiences a Termination of Service due to death or Disability or involuntary termination of employment of Participant by the Company or its Subsidiaries other than for Cause, in each case following the delivery of such notice; and (C) Participant remains in good standing with the Company and its Subsidiaries through the date of Participant’s Termination of Service.

(j) “Qualifying Retirement Date” means the date of an Employee’s (a) retirement from the employ of the Company or its Subsidiaries, in the case of clause “(i)(a)” of the definition of Qualifying Retirement, and (b) termination, in the case of clause “(i)(b)” of the definition of Qualifying Retirement, or, in each case, such later date as otherwise determined by the Committee.

(k) “year of service” shall mean each twelve (12) month period where an Employee has not incurred a Termination of Service (determined without regard to any breaks in service due to a paid leave of absence or any unpaid leave of absence authorized in writing by the Company or a Subsidiary).

* * * * *

**APPENDIX 1
TO PERFORMANCE SHARE UNIT GRANT NOTICE**

VESTING

The number of PSUs earned shall be determined based on the Company's achievement of Adjusted Diluted EPS (as defined below) for the Performance Period (as defined below). Participant may earn up to []% of the Target PSUs for the Company's achievement of Adjusted Diluted EPS.

The number of PSUs earned based on the Company's achievement of Adjusted Diluted EPS for the Performance Period shall be determined in accordance with the following table, in each case with the payout between "Threshold" and "Target" and between "Target" and "Maximum" determined using straight-line interpolation (rounded up to the nearest whole number of PSUs).

<i>Performance Level</i>	<i>Adjusted Diluted EPS</i>	<i>Award Payout (as % of Target PSUs)</i>
Below Threshold	<[]	[]
Threshold	[]	[]
Target	[]	[]
Maximum	[]	[]

For the avoidance of doubt, pursuant to the terms of the Plan, the Committee has discretion to adjust targets and/or actual results for events and items, including, without limitation, mergers & acquisitions and divestiture activity, currency exchange impacts and accounting and tax changes, and other extraordinary items and events.

CHANGE IN CONTROL

If a Change in Control occurs at any time during the Performance Period, the number of PSUs determined to vest shall be equal to the greater of the number of PSUs that would be earned upon the Company's achievement of (i) the target performance level of Adjusted Diluted EPS as set forth above and (ii) Adjusted Diluted EPS through the Change in Control Determination Date. If a Change in Control occurs on or after the last day of the Performance Period, the number of PSUs determined to vest shall be equal to the number of PSUs earned based on the Company's actual achievement of Adjusted Diluted EPS for the Performance Period.

DEFINITIONS

For purposes of this Appendix 1, the following definitions shall apply to capitalized terms not defined in the Performance Share Unit Grant Notice or the Performance Share Unit Agreement:

(a) "Adjusted Diluted EPS" means the Company's diluted net income per share, adjusted for (i) certain non-cash items included within net income, (ii) certain items not indicative of ongoing operating performance or (iii) certain nonrecurring, unusual or infrequent items that have not occurred within the last two years or are not reasonably likely to recur within the next two years, each as determined by the Committee and subject to certain other adjustments made in the Committee's discretion.

(b) "Performance Period" means the period beginning on [] and ending on [].

**APPENDIX 2
TO PERFORMANCE SHARE UNIT AGREEMENT**

CONFIDENTIALITY AND BUSINESS PROTECTION AGREEMENT

Capitalized terms used but not defined in this Appendix 2 shall have the respective meanings ascribed to such terms in the Agreement, the Grant Notice or the Plan, as applicable.

WHEREAS, the Company operates in a highly competitive business environment and has a legitimate interest in protecting its valuable assets, including its confidential information, trade secrets, and intellectual property; its Goodwill (as defined below) and reputation; the business relationships it has developed with its clients and vendors; and the training and development of its employees;

WHEREAS, Participant's employment and responsibilities with the Company have permitted and will in the future permit Participant to have access to competitively sensitive and highly confidential business information and trade secrets of the Company and to derive and enjoy the benefit of the Company's relationships with its customers and business partners, which have been developed by the Company's employees and/or as a result of the innovative products and technologies that the Company has brought or will bring to its customers ("Goodwill");

WHEREAS, the Company's customers are located across the United States and around the world; the market for the Company's products, processes, and services is national and international in scope; the Company sells and markets the same or similar products, processes, and services across state and national boundaries; and the Company's market expands or contracts over time based on the growth of the Company's business and the demand for the Company's products, processes, and services;

WHEREAS, the Company desires to ensure that its confidential information, trade secrets, intellectual property, Goodwill, reputation, business relationships, and investment in training and developing employees are adequately protected and are not used or disclosed without proper authorization by the Company; and

WHEREAS, Participant's eligibility to receive the PSUs is conditioned upon Participant's timely acceptance of the obligations and other terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of Participant's eligibility for the PSUs, and as a condition of Participant's continued access to the Company's confidential information and trade secrets and the benefit of the Company's Goodwill and customer relationships, the Company and Participant agree as follows:

1. Access to Confidential Information. In the course of Participant's employment, the Company will provide Participant with access to certain Confidential Information, which is not in the public domain, is highly valuable and competitively sensitive and which, if acquired by the Company's competitors, would cause irreparable harm to the Company. As used in this Agreement, "Confidential Information" means all information that Participant acquires from the Company which is not publicly known outside of the Company, and which concerns any of the following: the methods, processes, or know-how used or developed by the Company to design, manufacture, distribute, market, or sell its products, processes, or services; the research, development, or design of the Company's products or processes; the Company's plans or strategies for sales, marketing, or distribution; the Company's supply

and distribution processes or arrangements; research initiatives or projects; results of tests or experiments; information on financial performance, pricing, margins, or profits or production, labor, or other costs; market or sales data; existing or planned merger, acquisition, or divestiture activities; proposals or terms of contracts with customers, suppliers, distributors, or others; the identity and skills of other the Company employees; and information provided to the Company by its customers, suppliers, or third parties pursuant to a confidentiality obligation or an expectation of confidentiality.

2. Covenants to Protect Confidential Information. Participant covenants, promises, and agrees that she/he will not, directly or indirectly, use Confidential Information (or cause or permit it to be used) for any purpose other than the good-faith performance of her/his duties as a Company employee. In addition, subject to the Permitted Disclosures referenced below, Participant covenants, promises, and agrees that she/he will not, directly or indirectly, disclose Confidential Information (or cause or permit it to be disclosed) to any individual or person other than employees, consultants, contractors, suppliers, vendors, or teammates authorized by the Company to receive such information and having a need to know such information in connection with the good-faith support of the Company's business activities. Participant further covenants, promises, and agrees (a) not to remove from the Company's premises (including the Company's computer systems, servers, and networks) any Confidential Information in any form, except as required in the performance of his or her duties as an the Company employee, and (b) to return to the Company any and all records containing Confidential Information immediately upon termination of the employment relationship between Participant and the Company. Furthermore, Participant covenants, promises, and agrees not to accept employment with any employer that manufactures, markets, or sells products, processes, or services that are similar to or competitive with products, processes, or services manufactured, marketed, or sold by the Company, where such employment would involve duties the performance of which would inevitably cause Participant to use or disclose Confidential Information of the Company for the benefit of a third party in violation of this Agreement. The covenants and promises set forth in this section shall continue both during and after Participant's employment with the Company and, notwithstanding any other provision of this Agreement, in all cases shall be subject to the Permitted Disclosures referenced below.

3. Covenant to Protect Goodwill and Customer Relationships. Participant acknowledges that the Goodwill of the Company shall belong to the Company and not be used for the benefit of Participant, a future employer, or any other third party. In recognition of the value and importance of the Goodwill to the Company, Participant covenants, promises, and agrees that, during the Restricted Period (as defined below), Participant will refrain from directly or indirectly soliciting or attempting to solicit business from a Customer¹ or a Prospective Customer,² where a purpose of such solicitation is to induce the Customer or Prospective Customer to reduce or alter its business relationship with the Company or to purchase or acquire from a third party any product, process, or service that is competitive with any product, process, or service that the Company offers to its customers. As used in this Agreement, the Restricted Period shall consist of the continuous period of twelve (12) consecutive months immediately following Participant's separation from service with the Company, provided, however, that this twelve (12)-month period

¹ "Customer" refers to any person or entity (a) to which Axalta sells any of its products, processes, or services during Participant's employment with Axalta, and (b) with which Participant has one or more business contacts or as to which Participant receives or acquires any Confidential Information at any time in the course of the final 24 months of Participant's employment with Axalta.

² "Prospective Customer" refers to any person or entity with respect to which, at any time in the course of the final 24 months of Participant's employment with Axalta, Participant is involved in seeking to market, sell, or develop opportunities for the sale of any of Axalta's products, processes, or services.

may be extended by any period of Participant's noncompliance with the covenants and promises set forth in this Agreement.

4. Covenant Not to Solicit Employees. In recognition of the Company's investment in recruiting, training, and developing its employees, Participant covenants, promises, and agrees that, during employment by the Company and during the Restricted Period, she/he shall not solicit or encourage any employee of the Company to resign from or cease employment with the Company, or to accept a position as an employee or consultant for any other entity or person that manufactures, sells, or markets products, processes, or services that are similar to or competitive with products, processes, or services manufactured, sold, or marketed by the Company. This Section 4 does not apply to the solicitation of any Company employee who is not employed by the Company until after the date on which Participant's Termination of Service occurs.

5. Covenants Not to Compete.

a. Establishment or Leadership of a Competitive Business. During Participant's employment with the Company, and during the Restricted Period, Participant covenants, promises, and agrees that she/he shall not, within the Geographic Territory, either (i) directly or indirectly own, establish, or control (other than through ownership of less than two percent (2%) of the shares of publicly traded stock) or (ii) serve as an officer, director, principal, or partner of a business that manufactures, develops, markets, or sells products, processes, or services that are similar to or competitive with the products, processes, or services that are manufactured, marketed, sold, or being developed by the Company during the final twenty-four (24) months of Participant's employment with the Company. As used herein, the "Geographic Territory," is defined to include all states of the United States in which the Company manufactures, distributes, sells, or markets its products, processes, or services during the twenty-four (24) months immediately preceding the start of the Restricted Period, and all countries in which the Company manufactures, distributes, sells, or markets its products, processes, or services during the twenty-four (24) months immediately preceding the start of the Restricted Period. The Geographic Territory does not include any state or country in which the Company does not maintain operations or commence sales or marketing until after the start of the Restricted Period.

b. Prohibited Positions with Competitors. During Participant's employment with the Company and during the Restricted Period, Participant covenants, promises, and agrees that she/he shall not directly or indirectly engage in, have any equity interest in, interview for a potential employment or consulting relationship with or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) that engages in any business which competes with any portion of the Business (as defined below) of the Company. The term "Business" refers to the business of the Company and shall include the manufacturing and sale of automotive and industrial paints, coatings and related products, as such business may be expanded or altered by the Company during the term of Participant's employment with the Company. This Agreement shall not be construed to bar any attorney from engaging in the practice of law as an attorney for any third party; provided that he or she otherwise complies with his or her obligations under this Agreement and under the applicable rules of professional conduct.

6. Nature and Timing of Separation. The obligations set forth in this Agreement shall apply regardless of the voluntary or involuntary nature of the termination of the employment relationship between the Company and Participant, the duration of that relationship, or any other circumstances under which the relationship terminates.

7. Injunctive Relief. Participant specifically acknowledges and agrees that Participant's violation of any obligation under the preceding sections of this Agreement will cause irreparable harm to the Company's legitimate business interests, and that such harm cannot be measured by any specific amount of money or adequately remedied by the award of any sum of monetary damages. Therefore, Participant specifically agrees and understands that the Company will be entitled to specific performance and injunctive and other equitable relief in case of any breach or attempted breach of the preceding sections and agrees not to assert as a defense that the Company has an adequate remedy at law. Any injunctive relief shall be in addition to, and not in lieu of, any other remedies available to the Company.

8. Conformance and Severability. It is the intent of the Parties that each of the covenants and promises set forth above is divisible and severable from the other covenants and promises in those sections. The Parties further intend that this Agreement be enforceable to the maximum extent possible and that, if a court of competent jurisdiction determines that any term or clause renders some or all of this Agreement invalid or unenforceable, then, such term or clause should be modified to the extent necessary to make the Agreement legal and enforceable while preserving as much as possible of the intent of such term or clause. Where a court of competent jurisdiction determines that any term or clause renders some or all of this Agreement invalid or unenforceable, and such modification is not feasible, it is the intent of the Parties that the offending term or clause should be substituted with another term or clause that is enforceable and most nearly achieves the same objectives. Where a court determines that neither modification nor substitution of such term or clause is feasible under the circumstances, only then shall the offending term or clause be severed and stricken from the Agreement, but only to the extent that the term or clause is invalid or unenforceable, and the remaining provisions of the Agreement shall be enforced in accordance with their terms and entitled to full force and effect.

9. Permitted Disclosures. Notwithstanding any other provision of this Agreement, Participant will not be held civilly or criminally liable under any federal or state trade secret law for disclosing a trade secret of the Company in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney representing or advising Participant concerning such disclosure, if the disclosure (a) is made solely for the purpose of reporting or investigating a suspected violation of law or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal. In addition, if Participant files a lawsuit against the Company for retaliation for reporting a suspected violation of law, Participant may disclose trade secrets of the Company to the attorney representing him/her and may use the trade secret information in the court proceeding, only if any document containing the trade secret is filed under seal, and Participant does not disclose the trade secret except as specifically directed or authorized by a court order. In addition, nothing in this Agreement should be construed (i) to impede or interfere with Participant's right to respond truthfully and completely to any request for information regarding the Company's activities where disclosure is required by legal process, or (ii) to prevent Participant from communicating directly with, responding to any inquiry from, or providing truthful testimony or information to, any regulatory or law enforcement agency of the United States, the U.S. Congress, an Inspector General, or a state government agency in the course of a lawful investigation or proceeding. Participant is not required to contact the Company as a precondition to any of the foregoing, provided, however, that Participant cannot, without the written approval of the Company's General Counsel, disclose the substance of communications

between the Company personnel and the Company's legal counsel which are protected by the Company's attorney-client privilege.

10. General.

a. With the exception of modification or substitution of terms by a court of competent jurisdiction under the Conformance and Severability section above, no modification or waiver of any provision of this Agreement shall be valid unless in writing signed by both Parties and specifically referring to this Agreement by name.

b. Participant acknowledges that the services to be rendered by Participant are personal and that Participant may not assign any of her/his duties or obligations under this Agreement. The Company may assign the Agreement to any successor or transferee. This Agreement shall be valid and binding upon all heirs, successors and assigns of the Parties.

c. No delay or omission in enforcing any provision of this Agreement or in exercising any right or remedy set forth in this Agreement shall operate as a waiver of any right or remedy or preclude enforcement or specific performance of such provision or the exercise of any right or remedy.

d. The Parties acknowledge that they have each read this Agreement in its entirety, understand it, agree to be bound by its terms and conditions, and intend that the Agreement be interpreted as if drafted equally by both Parties.

e. Participant agrees that the Company may, in its sole discretion, share all or part of this Agreement with any future or prospective employer to the extent reasonably necessary to ensure Participant's compliance. In addition, Participant agrees to provide the Company, upon its request, with the name, address, and contact information of any new employer or third party whose relationship with Participant may violate the provisions of this Agreement.

Certain terms in this Exhibit have been redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish to the SEC an unredacted copy of this Exhibit to the SEC upon its request

AXALTA COATING SYSTEMS LTD.
SECOND AMENDED AND RESTATED 2014 INCENTIVE AWARD PLAN

PERFORMANCE SHARE UNIT GRANT NOTICE

Axalta Coating Systems Ltd., a Bermuda exempted limited liability company (the “Company”), pursuant to its Second Amended and Restated 2014 Incentive Award Plan, as amended from time to time (the “Plan”), hereby grants to the holder listed below (“Participant”) the number of performance share units (the “PSUs”) set forth below. The PSUs are subject to the performance criteria and other terms and conditions set forth in this Performance Share Unit Grant Notice (the “Grant Notice”) and the Performance Share Unit Agreement attached hereto as Exhibit A, including Appendix 1 (Vesting) and Appendix 2 (Confidentiality and Business Protection Agreement) thereto (the “Agreement”) and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:

Grant Date:

Target Number of PSUs (the “Target PSUs”): Notwithstanding the number of Target PSUs, the number of PSUs that are eligible to vest pursuant to this Agreement range from to % of the Target PSUs.

Type of Shares Issuable: Common Stock

Vesting Schedule: The PSUs will vest in accordance with the terms of this Agreement and the vesting schedule set forth in Appendix 1.

By Participant’s signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

AXALTA COATING SYSTEMS LTD.

PARTICIPANT

By:
Print Name:
Title:

By:
Print Name:

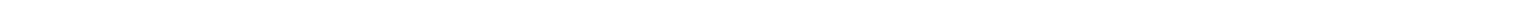


EXHIBIT A
TO PERFORMANCE SHARE UNIT GRANT NOTICE
PERFORMANCE SHARE UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the Target PSUs set forth in the Grant Notice. The actual number of PSUs that are eligible to vest pursuant to this Agreement range from [] to []% of the Target PSUs based upon the performance metrics set forth on Appendix 1 during the TSR Period (as defined in Appendix 1) and subject to forfeiture, in each case, as set forth in Article II below and the terms of the Plan.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The PSUs and the shares of Common Stock issued to Participant hereunder (“Shares”) are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control, except with respect to the definition of Change in Control as defined in this Agreement.

ARTICLE II.

AWARD OF PERFORMANCE SHARE UNITS AND DIVIDEND EQUIVALENTS

2.1 Award of PSUs and Dividend Equivalents.

(a) In consideration of Participant’s past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the “Grant Date”), the Company has granted to Participant the Target PSUs upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Section 13.2 of the Plan. Each PSU represents the right to receive one Share or, at the option of the Company, an amount of cash as set forth in Section 2.3(b), in either case, at the times and subject to the conditions set forth herein. However, unless and until the PSUs have vested, Participant will have no right to the distribution or payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the PSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each PSU that vests pursuant to this Agreement for all ordinary cash dividends which are paid to all or substantially all holders of the outstanding Shares for which the record date occurs between the Grant Date and the date when the applicable PSU is distributed in Shares or paid in cash to Participant or is forfeited or expires. The Dividend Equivalents for each PSU shall be equal to the amount of cash which is paid as a dividend on one share of Common Stock. All such Dividend Equivalents shall be credited to Participant and paid in cash at the same time as the distribution or payment is made in respect of the PSU to which such Dividend Equivalent relates in accordance with Section 2.3 below. Any

Dividend Equivalents that relate to PSUs that are forfeited shall likewise be forfeited without consideration.

2.2 Vesting of PSUs and Dividend Equivalents.

(a) *Vesting Schedule.* Subject to Sections 2.2(b), (c) and (e) below and subject to the terms of this Agreement, the PSUs shall vest, if at all, in amounts up to []% of the Target PSUs (the "Maximum PSUs") on the Determination Date, in accordance with Appendix 1.

(b) *Effect of Termination of Service.* Notwithstanding any contrary provision of this Agreement, except as otherwise provided in Section 2.2(c)(i)(A) and Section 2.2(e), as determined by the Administrator or as set forth in a written agreement between Participant and the Company, upon Participant's Termination of Service prior to the date the PSUs are determined to vest pursuant to this Agreement, any and all PSUs and Dividend Equivalents shall immediately be forfeited and Participant's rights with respect thereto shall lapse and expire; provided that in the event of Participant's Termination of Service prior to the date the PSUs are determined to vest is (i) by the Company by reason of Participant's Disability or (ii) by reason of death, the Target PSUs (or if such Termination of Service occurs after a Change in Control, then the number of PSUs determined pursuant to Section 2.3(c)(i)) and related Dividend Equivalents shall immediately vest in full and be settled in accordance with Section 2.3(a); provided further, if such Participant's Termination of Service due to death or Disability would also be deemed a Qualifying Retirement, and if it is subsequently determined that such Participant would have vested in a greater number of PSUs pursuant to Section 2.2(e) (determined without regards to clause (vi) thereof), then Participant's (or Participant's estate or beneficiary) shall vest in an additional number of PSUs (and related Dividend Equivalents) equal to the number of PSUs Participant would have received pursuant to Section 2.2(e) less the Target PSUs.

(c) *Change in Control.*

(i) Notwithstanding any contrary provision of this Agreement, if a Change in Control occurs prior to the day immediately prior to the third anniversary of the Grant Date, the number of PSUs determined to vest pursuant to the Change in Control section of Appendix 1 shall vest on (x) [], if the Change in Control occurs prior to the last day of the Performance Period and (y) immediately prior to (and subject to the consummation of) the Change in Control, if the Change in Control occurs on or after the last day of the Performance Period, subject, in either case, to Participant not incurring a Termination of Service prior to such date; provided, that, subject to clause (c)(ii) below, such unvested PSUs shall immediately vest and be settled in accordance with Section 2.3(a) (A) in the event of Participant's Termination of Service by the Company without Cause or by Participant for Good Reason, in each case, within two (2) years after the Change in Control, (B) immediately prior to (and subject to the consummation of) the Change in Control in the event the successor corporation (or any of its parent entities) does not assume or substitute the unvested PSUs for equivalent rights in connection with such Change in Control, or (C) in the event of Participant's Termination of Service by the Company by reason of Participant's Disability or by reason of death as provided in Section 2.2(b).

(ii) As a condition to any accelerated vesting of the PSUs as set forth in Section 2.2(c)(i)(A) above, Participant shall, within the thirty (30) day period following the date of Participant's Termination of Service, or such longer period as may be required under applicable law to obtain an effective release of claims, execute and not revoke a general release of all claims, including all known and unknown and current and potential claims, in favor of the Company and its affiliates in either (A) a form provided to Participant by the Company or (B) if Participant is party to a severance or

employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, the form of release of claims applicable to Participant under such agreement or policy.

(d) *Failure to Achieve Maximum Performance.* Subject to Sections 2.2(b) and (c), in the event the PSUs do not vest at the maximum level in accordance with the provisions of Section 2.2(a), such PSUs that do not vest in accordance with the provisions of Section 2.2(a) shall be forfeited and Participant's rights in any such PSUs and related Dividend Equivalents shall lapse and expire.

(e) *Retirement Provisions.* In the event that Participant is an Employee, upon Participant's Qualifying Retirement, the following treatment will apply with respect to the PSUs granted hereunder:

(i) all requirements for Participant to continue to provide services to the Company or its Subsidiaries in order to vest in such PSUs shall be waived effective as of the Qualifying Retirement Date;

(ii) the number of PSUs held by Participant hereunder shall be pro-rated by multiplying the target number of PSUs issued hereunder by the Pro-Rata Fraction, resulting in the "Pro-Rata Target Number", with the remainder being forfeited as of the Qualifying Retirement Date;

(iii) the number of PSUs that Participant shall vest in, if any, shall be determined by applying the performance conditions set forth in Appendix 1 to the applicable Pro-Rata Target Number, and Participant shall also vest in the applicable number of Dividend Equivalents;

(iv) notwithstanding anything herein to the contrary, if the PSUs are determined to no longer be subject to a "substantial risk of forfeiture" within the meaning of Section 409A of the Code, the PSUs shall be settled and distributed to Participant no later than March 15 of the year following the year in which they are no longer subject to such substantial risk of forfeiture;

(v) in the event Participant would receive more favorable treatment upon a Termination of Service following a Change in Control under Section 2.2(c), then such treatment shall apply in lieu of that described under this Section 2.2(e);

(vi) in the event that the timing component in the proviso to the definition of "Qualifying Retirement" is satisfied by Participant's Termination of Service due to Participant's death or Disability pursuant to clause (B)(2) of such proviso, then the vesting of PSUs hereunder shall be determined in accordance with Section 2.2(b) hereof including the provisos thereto; and

(vii) for the avoidance of doubt, all other terms and conditions of the PSUs shall continue to apply, including any terms and conditions related to performance-based vesting criteria and the timing and form of payment.

For the avoidance of doubt, where an award of PSUs consists of multiple, independent performance periods, Section 2.2(e) shall be applied independently to each performance period and the appropriate number of target PSUs. As an example, if a PSU award consists of three one-year performance periods and one three-year performance period (covering the same years as the three one-year periods), each separately applying to 25% of the PSUs, and Participant has a Qualifying Retirement half-way through the third year, then Participant will remain eligible to vest in 100% of the PSUs for the

first two one-year performance periods, 50% of the PSUs for the third one-year performance period and five-sixths of the PSUs for the three-year performance period.

2.3 Distribution or Payment of PSUs.

(a) Participant's PSUs shall be distributed in Shares (either in book-entry form or otherwise) or, at the option of the Company, paid in an amount of cash as set forth in Section 2.3(b), in either case, as soon as administratively practicable following the vesting of the applicable PSU pursuant to Section 2.2, and, in any event, within sixty (60) days following such vesting. Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of PSUs if it reasonably determines that such payment or distribution will violate federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A of the Code. All distributions made in Shares shall be made by the Company in the form of whole Shares.

(b) In the event that the Company elects to make payment of Participant's PSUs in cash, the amount of cash payable with respect to each PSU shall be equal to the Fair Market Value of a Share on the day immediately preceding the applicable distribution or payment date set forth in Section 2.3(a).

2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares prior to the fulfillment of all of the following conditions: (A) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (B) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (C) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, and (D) the receipt of full payment of any applicable withholding tax in accordance with Section 2.5 by the Company or its Subsidiary with respect to which the applicable withholding obligation arises.

2.5 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) Participant shall be required to remit to the Company, or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. With respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the PSUs, unless Participant makes an advance election pursuant to this Section 2.5(a), the Company shall withhold a net number of Shares otherwise issuable pursuant to the PSUs having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries for federal, state, local and foreign income and payroll taxes, up to the maximum statutory withholding rate. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company to complete the withholding described in the previous sentence. Alternatively, Participant may elect to satisfy such tax withholding obligations in one or more of the forms specified below, provided such election is made in accordance with any advance notice requirements that the Company may establish for this purpose:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) with respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the PSUs, unless otherwise determined by the Administrator, by requesting that the Company and its Subsidiaries instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those Shares then issuable to Participant pursuant to the PSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises;

(iii) with respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the PSUs, unless otherwise determined by the Administrator, by tendering to the Company vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries for federal, state, local and foreign income and payroll taxes, up to the maximum statutory withholding rate; or

(iv) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the PSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to (i) deduct such amounts from other compensation payable to Participant and/or (ii) treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a)(ii) above. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the PSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the PSUs or any other taxable event related to the PSUs. The Company may refuse to issue any Shares in settlement of the PSUs to Participant until the foregoing tax withholding obligations are satisfied, *provided* that no payment shall be delayed under this Section 2.5(b) if such delay will result in a violation of Section 409A of the Code.

(c) Participant is ultimately liable and responsible for all taxes owed in connection with the PSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the PSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting, distribution or payment of the PSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the PSUs to reduce or eliminate Participant's tax liability.

2.6 Rights as Shareholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the exclusive power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

3.2 PSUs Not Transferable. The PSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the PSUs have been issued, and all restrictions applicable to such Shares have lapsed. No PSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

3.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the PSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the PSUs and the Shares subject to the PSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 13.2 of the Plan.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Chief Human Resources Officer of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the PSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by

Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

3.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the PSUs in any material way without the prior written consent of Participant.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 3.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the PSUs, the Dividend Equivalents, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit or appendix hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof; provided, however, that (i) if Participant is party to a severance or employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, in either case, that provides greater vesting protection to Participant, then the PSUs shall be treated in accordance with the applicable terms of such agreement or policy; and (ii) if Participant is party to the Company's Executive Restrictive Covenant and Severance Agreement or other severance, non-compete, employment or similar agreement with the Company or any of its affiliates that includes the same or similar restrictive covenants as those in Appendix 2, then Appendix 2 shall not apply to Participant. For the avoidance of doubt, the Company's Restrictive Covenant and Severance Policy does not constitute an agreement with the same or similar covenants as Appendix 2.

3.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the

Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A. Without limiting the generality of the foregoing, if, at the time of Participant's separation from service (within the meaning of Section 409A), (a) Participant is a specified employee (within the meaning of Section 409A and using the identification methodology selected by the Company from time to time) and (b) the Company makes a good faith determination that an amount payable pursuant to this Agreement constitutes deferred compensation (within the meaning of Section 409A) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in Section 409A in order to avoid taxes or penalties under Section 409A, then the Company shall not pay such amount on the otherwise scheduled payment date but shall instead pay it on the first business day after such six-month period. Such amount shall be paid without interest.

3.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the PSUs and Dividend Equivalents.

3.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

3.17 Broker-Assisted Sales. In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 2.5(a): (A) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

3.18 Recoupment. Notwithstanding any other provision of the Agreement to the contrary, Participant acknowledges and agrees that all Shares acquired pursuant to the Plan, under this Agreement

or otherwise, shall be and remain subject to any incentive compensation recoupment policy of the Company currently in effect or as may be adopted by the Company and, in each case, as may be amended from time to time. No such policy adoption or amendment shall require Participant's prior consent. For purposes of the foregoing, Participant expressly and explicitly authorizes the Company to issue instructions, on Participant's behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold Participant's Shares, and other amounts acquired under the Plan to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company.

3.19 Definitions. For purposes of this Agreement, the following definitions shall apply:

(a) "Cause" means any of the following: (i) if Participant is a party to a written employment or severance agreement with the Company or any of its Subsidiaries in which the term "cause" is defined (a "Relevant Agreement"), "Cause" as defined in the Relevant Agreement and (ii) if no Relevant Agreement exists or "cause" is not defined therein, (A) Participant's failure to (x) substantially perform his or her duties with the Company (other than any such failure resulting from Participant's Disability) or (y) comply with, in any material respect, any of the Company's policies; (B) the Company's determination that Participant failed in any material respect to carry out or comply with any lawful and reasonable directive of the Board; (C) Participant's breach of a material provision of this Agreement or any Relevant Agreement or any employment or similar agreement between the Company or any of its Subsidiaries and Participant; (D) Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or crime involving moral turpitude; (E) Participant's unlawful use (including being under the influence) or possession of illegal drugs on the Company's (or any of its affiliate's) premises or while performing Participant's duties and responsibilities for the Company; or (F) Participant's commission of an act of fraud, embezzlement, misappropriation, willful misconduct, or breach of fiduciary duty against the Company or any of its affiliates. Notwithstanding the foregoing, in the case of clauses (A), (B) and (C) above, no Cause will have occurred unless and until the Company has: (a) provided Participant written notice describing the applicable facts and circumstances underlying such finding of Cause; and (b) provided Participant with an opportunity to cure the same within 30 days after the receipt of such notice; provided, however, that Participant shall be provided only one cure opportunity per category of Cause event in any rolling six (6) month period. If Participant fails to cure the same within such 30 days, then "Cause" shall be deemed to have occurred as of the expiration of the 30-day cure period.

(b) "Change in Control" means and includes, notwithstanding anything to the contrary in the Plan, each of the following: (A) a transaction or series of transactions occurring after the Grant Date whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d) (2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing 30% or more of the total combined voting power of the Company's securities outstanding immediately after such transaction; (B) during any 12 month period, individuals who, at the beginning of such period, constitute the Board together with any new members of the Board whose election by the Board or nomination for election by the Company's members was approved by a vote of at least two-thirds of the members of the Board then still in office who either were members of the Board at the beginning of the one-year period or whose election or nomination for election was previously so approved (other than (x) an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under

the Exchange Act, and (y) any member of the Board whose initial assumption of office during such 12 month period in connection with a transaction described in clause (C)(x) below that occurs with a non-affiliate third party), cease for any reason to constitute a majority thereof; or (C) the consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) after the Grant Date of (x) a merger, consolidation, reorganization, or business combination, (y) a sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the Company's assets, or (z) the acquisition of assets or stock of another entity, other than a transaction:

(i) in the case of clauses (A) and (C), which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity") directly or indirectly, more than seventy percent (70%) of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) in the case of clause (C), after which no person or group beneficially owns voting securities representing 30% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this clause (ii) as beneficially owning 30% or more of combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

(c) "Change in Control Determination Date" means any date within thirty days prior to the date of a Change in Control, as determined by the Administrator.

(d) "Determination Date" means the date the Administrator determines the number of PSUs that shall vest pursuant to Section 2.2(a), which date shall be no later than [].

(e) "Disability" shall mean the following: (a) if Participant is a party to an employment, severance or similar agreement with the Company or any of its affiliates in which "disability" or term of like import is defined, "Disability" or term of like import as defined in such agreement and (b) if no such agreement exists, at any time the Company or any of its affiliates sponsors a long-term disability plan for the Company's employees, "disability" as defined in such long-term disability plan for the purpose of determining a participant's eligibility for benefits, provided, however, if the long-term disability plan contains multiple definitions of disability, "Disability" shall refer to that definition of disability which, if Participant qualified for such disability benefits, would provide coverage for the longest period of time. The determination of whether Participant has a Disability shall be made by the person or persons required to make disability determinations under the long-term disability plan. At any time the Company does not sponsor a long-term disability plan for its employees, Disability shall mean Participant's inability to perform, with or without reasonable accommodation, the essential functions of Participant's position for a total of three months during any six-month period as a result of incapacity due to mental or physical illness as determined by a physician selected by the Company or its insurers and acceptable to Participant or Participant's legal representative, with such agreement as to acceptability not to be unreasonably withheld or delayed.

(f) "Good Reason" means (i) if Participant is a party to a Relevant Agreement in which the term "good reason" is defined, "Good Reason" as defined in the Relevant Agreement and (ii) if

no Relevant Agreement exists or “good reason” is not defined therein, the occurrence of any of the following events or conditions without Participant’s written consent: (A) a decrease in Participant’s annual base salary at the rate in effect on the day prior to the date of Participant’s Termination of Service (without regard to any decrease that may occur after the date of a Change in Control), other than a reduction of less than 10% that is implemented in connection with a contemporaneous reduction in annual base salaries affecting other similarly situated employees of the Company, (B) a material decrease in Participant’s authority or areas of responsibility as are commensurate with such Participant’s title or position, or (C) the relocation of Participant’s primary office to a location more than 35 miles from Participant’s then-current primary office location. Participant must provide written notice to the Company of the occurrence of any of the foregoing events or conditions within ninety (90) days of the occurrence of such event or the date upon which Participant reasonably became aware that such an event or condition had occurred. The Company or any successor or affiliate shall have a period of thirty (30) days to cure such event or condition after receipt of written notice of such event from Participant. Any voluntary termination for “Good Reason” following such thirty (30) day cure period must occur no later than the date that is one (1) year following the date notice was provided by Participant. Participant’s voluntary “separation from service” within the meaning of Section 409A by reason of resignation from employment with the Company for Good Reason shall be treated as involuntary.

(g) “Performance Period” means the period beginning on [] and ending on [].

(h) “Pro-Rata Fraction” equals (1) the number of days elapsed from the Grant Date through the Qualifying Retirement Date, *divided by* (2) the total number of days from the Grant Date through the third anniversary of the Grant Date.

(i) “Qualifying Retirement” shall mean that Participant (i) (a) voluntarily retires from the employ of the Company or its Subsidiaries, or (b) is terminated by the Company or its Subsidiaries without Cause, and (ii) at the time of such retirement or termination, (x) is at least [] years old and (y) the sum of the number of whole years in such holder’s age plus each year of service to the Company and its Subsidiaries equals at least []. Notwithstanding anything to the contrary herein, in order for any such retirement to be a Qualifying Retirement, in the case of clause “(i)(a)” above, Participant: (A) has given written notice, in form reasonably satisfactory to the Company or the applicable Subsidiary, to Participant’s supervisor, with a copy to the Chief Human Resources Officer of the Company (or, if Participant is the Chief Human Resources Officer of the Company, to the Chief Executive Officer of the Company) that (1) specifies Participant’s intent to retire from the Company or its Subsidiaries and the particular intended date of such retirement, which must be at least 30 days after the date such written notice is given, and (2) has not been preceded by notice from the Company or its Subsidiaries to Participant of the actual or impending termination of employment of Participant by the Company or its Subsidiaries; (B) has remained employed by the Company or its Subsidiaries until the earlier of (1) the particular intended date of such retirement specified in such notice (or such other date as has been mutually agreed in writing between the Company and Participant) and (2) the date on which Participant experiences a Termination of Service due to death or Disability or involuntary termination of employment of Participant by the Company or its Subsidiaries other than for Cause, in each case following the delivery of such notice; and (C) Participant remains in good standing with the Company and its Subsidiaries through the date of Participant’s Termination of Service.

(j) “Qualifying Retirement Date” means the date of an Employee’s (a) retirement from the employ of the Company or its Subsidiaries, in the case of clause “(i)(a)” of the definition of Qualifying Retirement, and (b) termination, in the case of clause “(i)(b)” of the definition of Qualifying Retirement, or, in each case, such later date as otherwise determined by the Committee.

(k) “year of service” shall mean each twelve (12) month period where an Employee has not incurred a Termination of Service (determined without regard to any breaks in service due to a paid leave of absence or any unpaid leave of absence authorized in writing by the Company or a Subsidiary).

* * * * *

**APPENDIX 1
TO PERFORMANCE SHARE UNIT GRANT NOTICE**

VESTING

The number of PSUs earned shall be determined based on the Company's achievement of Relative TSR (as defined below). Participant may earn up to []% of the Target PSUs for the Company's achievement of Relative TSR.

The number of PSUs earned based on the Company's achievement of Relative TSR shall be determined in accordance with the following table, in each case with the payout between "Threshold" and "Target" and between "Target" and "Maximum" determined using straight-line interpolation (rounded up to the nearest whole number of PSUs).

<i>Performance Level</i>	<i>Relative TSR</i>	<i>Award Payout (as % of Target PSUs)</i>
Below Threshold	<[]	[]
Threshold	[]	[]
Target	[]	[]
Maximum	[]	[]

Notwithstanding the table above, if the Company's TSR is negative, then any award payout shall not exceed []% of the Target PSUs, which, for the avoidance of doubt, shall also apply in the event of a Change in Control.

CHANGE IN CONTROL

If a Change in Control occurs at any time during the TSR Period, the number of PSUs determined to vest shall be equal to the greater of the number of PSUs that would have been earned upon the Company's achievement of (i) the target performance level of Relative TSR as set forth above or (ii) Relative TSR as of the Change in Control Determination Date.

DEFINITIONS

For purposes of this Appendix 1, the following definitions shall apply to capitalized terms not defined in the Performance Share Unit Grant Notice or the Performance Share Unit Agreement:

(a) "Average Market Value" of the Company or a member of the Peer Group, as applicable, means, as of any day, the average closing price per share of Common Stock (or per share of common stock of a member of the Peer Group, as applicable) over the []-consecutive-trading days ending with and including that day (or, if there is no closing price on that day, the last trading day before that day).

(b) "Beginning Average Market Value" means the Average Market Value as of the first day of the TSR Period.

(c) "Ending Average Market Value" means the Average Market Value as of the last day of the TSR Period; provided, that, for clarity, in the event a Change in Control occurs during the TSR

Period, “Ending Average Market Value” means the Average Market Value as of the Change in Control Determination Date.

(d) “Peer Group” shall consist of the companies included in the [] Index as of the first day of the TSR Period; *provided, however*, that if a member of the Peer Group ceases to be a Publicly Traded Company for any reason during the TSR Period or is acquired by another Publicly Traded Company (other than a transaction the principal purpose of which is to change the name, corporate form or jurisdiction of incorporation or formation of the Peer Group member), the member shall be automatically removed from and treated as never having been included in the Peer Group.

(e) “Publicly Traded Company” means a company whose shares are regularly quoted or traded on an active securities exchange, over-the-counter market or inter-dealer quotation system.

(f) “Relative TSR” means the Company’s TSR compared to the TSR of each member of the Peer Group, expressed as a percentile.

(g) “TSR” means the percentage appreciation (positive or negative) in the Common Stock price (or common stock price of a member of the Peer Group, as applicable) over the TSR Period, determined by dividing (i) the difference obtained by subtracting (A) the Beginning Average Market Value, from (B) the Ending Average Market Value plus all cash dividends for the TSR Period, assuming same-day reinvestment into Common Stock (or common stock of the applicable member of the Peer Group) on the applicable ex-dividend date, by (ii) the Beginning Average Market Value. TSR shall be equitably adjusted to reflect stock dividends, stock-splits, spin-offs, and other corporate changes having similar effect. The Committee may adjust the Company’s TSR to take into account, among other things, unusual or nonrecurring events, including unusual and extraordinary corporate transactions, events or developments or events outside the scope of the Company’s core business activities.

(h) “TSR Period” means the period beginning on the day immediately prior to the Grant Date and ending on the earlier of (i) the day immediately prior to the [] anniversary of the Grant Date and (ii) the Change in Control Determination Date.

**APPENDIX 2
TO PERFORMANCE SHARE UNIT AGREEMENT**

CONFIDENTIALITY AND BUSINESS PROTECTION AGREEMENT

Capitalized terms used but not defined in this Appendix 2 shall have the respective meanings ascribed to such terms in the Agreement, the Grant Notice or the Plan, as applicable.

WHEREAS, the Company operates in a highly competitive business environment and has a legitimate interest in protecting its valuable assets, including its confidential information, trade secrets, and intellectual property; its Goodwill (as defined below) and reputation; the business relationships it has developed with its clients and vendors; and the training and development of its employees;

WHEREAS, Participant's employment and responsibilities with the Company have permitted and will in the future permit Participant to have access to competitively sensitive and highly confidential business information and trade secrets of the Company and to derive and enjoy the benefit of the Company's relationships with its customers and business partners, which have been developed by the Company's employees and/or as a result of the innovative products and technologies that the Company has brought or will bring to its customers ("Goodwill");

WHEREAS, the Company's customers are located across the United States and around the world; the market for the Company's products, processes, and services is national and international in scope; the Company sells and markets the same or similar products, processes, and services across state and national boundaries; and the Company's market expands or contracts over time based on the growth of the Company's business and the demand for the Company's products, processes, and services;

WHEREAS, the Company desires to ensure that its confidential information, trade secrets, intellectual property, Goodwill, reputation, business relationships, and investment in training and developing employees are adequately protected and are not used or disclosed without proper authorization by the Company; and

WHEREAS, Participant's eligibility to receive the PSUs is conditioned upon Participant's timely acceptance of the obligations and other terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of Participant's eligibility for the PSUs, and as a condition of Participant's continued access to the Company's confidential information and trade secrets and the benefit of the Company's Goodwill and customer relationships, the Company and Participant agree as follows:

1. Access to Confidential Information. In the course of Participant's employment, the Company will provide Participant with access to certain Confidential Information, which is not in the public domain, is highly valuable and competitively sensitive and which, if acquired by the Company's competitors, would cause irreparable harm to the Company. As used in this Agreement, "Confidential Information" means all information that Participant acquires from the Company which is not publicly known outside of the Company, and which concerns any of the following: the methods, processes, or know-how used or developed by the Company to design, manufacture, distribute, market, or sell its products, processes, or services; the research, development, or design of the Company's products or processes; the Company's plans or strategies for sales, marketing, or distribution; the Company's supply

and distribution processes or arrangements; research initiatives or projects; results of tests or experiments; information on financial performance, pricing, margins, or profits or production, labor, or other costs; market or sales data; existing or planned merger, acquisition, or divestiture activities; proposals or terms of contracts with customers, suppliers, distributors, or others; the identity and skills of other the Company employees; and information provided to the Company by its customers, suppliers, or third parties pursuant to a confidentiality obligation or an expectation of confidentiality.

2. Covenants to Protect Confidential Information. Participant covenants, promises, and agrees that she/he will not, directly or indirectly, use Confidential Information (or cause or permit it to be used) for any purpose other than the good-faith performance of her/his duties as a Company employee. In addition, subject to the Permitted Disclosures referenced below, Participant covenants, promises, and agrees that she/he will not, directly or indirectly, disclose Confidential Information (or cause or permit it to be disclosed) to any individual or person other than employees, consultants, contractors, suppliers, vendors, or teammates authorized by the Company to receive such information and having a need to know such information in connection with the good-faith support of the Company's business activities. Participant further covenants, promises, and agrees (a) not to remove from the Company's premises (including the Company's computer systems, servers, and networks) any Confidential Information in any form, except as required in the performance of his or her duties as an the Company employee, and (b) to return to the Company any and all records containing Confidential Information immediately upon termination of the employment relationship between Participant and the Company. Furthermore, Participant covenants, promises, and agrees not to accept employment with any employer that manufactures, markets, or sells products, processes, or services that are similar to or competitive with products, processes, or services manufactured, marketed, or sold by the Company, where such employment would involve duties the performance of which would inevitably cause Participant to use or disclose Confidential Information of the Company for the benefit of a third party in violation of this Agreement. The covenants and promises set forth in this section shall continue both during and after Participant's employment with the Company and, notwithstanding any other provision of this Agreement, in all cases shall be subject to the Permitted Disclosures referenced below.

3. Covenant to Protect Goodwill and Customer Relationships. Participant acknowledges that the Goodwill of the Company shall belong to the Company and not be used for the benefit of Participant, a future employer, or any other third party. In recognition of the value and importance of the Goodwill to the Company, Participant covenants, promises, and agrees that, during the Restricted Period (as defined below), Participant will refrain from directly or indirectly soliciting or attempting to solicit business from a Customer¹ or a Prospective Customer,² where a purpose of such solicitation is to induce the Customer or Prospective Customer to reduce or alter its business relationship with the Company or to purchase or acquire from a third party any product, process, or service that is competitive with any product, process, or service that the Company offers to its customers. As used in this Agreement, the Restricted Period shall consist of the continuous period of twelve (12) consecutive months immediately following Participant's separation from service with the Company, provided, however, that this twelve (12)-month period

¹ "Customer" refers to any person or entity (a) to which Axalta sells any of its products, processes, or services during Participant's employment with Axalta, and (b) with which Participant has one or more business contacts or as to which Participant receives or acquires any Confidential Information at any time in the course of the final 24 months of Participant's employment with Axalta.

² "Prospective Customer" refers to any person or entity with respect to which, at any time in the course of the final 24 months of Participant's employment with Axalta, Participant is involved in seeking to market, sell, or develop opportunities for the sale of any of Axalta's products, processes, or services.

may be extended by any period of Participant's noncompliance with the covenants and promises set forth in this Agreement.

4. Covenant Not to Solicit Employees. In recognition of the Company's investment in recruiting, training, and developing its employees, Participant covenants, promises, and agrees that, during employment by the Company and during the Restricted Period, she/he shall not solicit or encourage any employee of the Company to resign from or cease employment with the Company, or to accept a position as an employee or consultant for any other entity or person that manufactures, sells, or markets products, processes, or services that are similar to or competitive with products, processes, or services manufactured, sold, or marketed by the Company. This Section 4 does not apply to the solicitation of any Company employee who is not employed by the Company until after the date on which Participant's Termination of Service occurs.

5. Covenants Not to Compete.

a. Establishment or Leadership of a Competitive Business. During Participant's employment with the Company, and during the Restricted Period, Participant covenants, promises, and agrees that she/he shall not, within the Geographic Territory, either (i) directly or indirectly own, establish, or control (other than through ownership of less than two percent (2%) of the shares of publicly traded stock) or (ii) serve as an officer, director, principal, or partner of a business that manufactures, develops, markets, or sells products, processes, or services that are similar to or competitive with the products, processes, or services that are manufactured, marketed, sold, or being developed by the Company during the final twenty-four (24) months of Participant's employment with the Company. As used herein, the "Geographic Territory," is defined to include all states of the United States in which the Company manufactures, distributes, sells, or markets its products, processes, or services during the twenty-four (24) months immediately preceding the start of the Restricted Period, and all countries in which the Company manufactures, distributes, sells, or markets its products, processes, or services during the twenty-four (24) months immediately preceding the start of the Restricted Period. The Geographic Territory does not include any state or country in which the Company does not maintain operations or commence sales or marketing until after the start of the Restricted Period.

b. Prohibited Positions with Competitors. During Participant's employment with the Company and during the Restricted Period, Participant covenants, promises, and agrees that she/he shall not directly or indirectly engage in, have any equity interest in, interview for a potential employment or consulting relationship with or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) that engages in any business which competes with any portion of the Business (as defined below) of the Company. The term "Business" refers to the business of the Company and shall include the manufacturing and sale of automotive and industrial paints, coatings and related products, as such business may be expanded or altered by the Company during the term of Participant's employment with the Company. This Agreement shall not be construed to bar any attorney from engaging in the practice of law as an attorney for any third party; provided that he or she otherwise complies with his or her obligations under this Agreement and under the applicable rules of professional conduct.

6. Nature and Timing of Separation. The obligations set forth in this Agreement shall apply regardless of the voluntary or involuntary nature of the termination of the employment relationship between the Company and Participant, the duration of that relationship, or any other circumstances under which the relationship terminates.

7. Injunctive Relief. Participant specifically acknowledges and agrees that Participant's violation of any obligation under the preceding sections of this Agreement will cause irreparable harm to the Company's legitimate business interests, and that such harm cannot be measured by any specific amount of money or adequately remedied by the award of any sum of monetary damages. Therefore, Participant specifically agrees and understands that the Company will be entitled to specific performance and injunctive and other equitable relief in case of any breach or attempted breach of the preceding sections and agrees not to assert as a defense that the Company has an adequate remedy at law. Any injunctive relief shall be in addition to, and not in lieu of, any other remedies available to the Company.

8. Conformance and Severability. It is the intent of the Parties that each of the covenants and promises set forth above is divisible and severable from the other covenants and promises in those sections. The Parties further intend that this Agreement be enforceable to the maximum extent possible and that, if a court of competent jurisdiction determines that any term or clause renders some or all of this Agreement invalid or unenforceable, then, such term or clause should be modified to the extent necessary to make the Agreement legal and enforceable while preserving as much as possible of the intent of such term or clause. Where a court of competent jurisdiction determines that any term or clause renders some or all of this Agreement invalid or unenforceable, and such modification is not feasible, it is the intent of the Parties that the offending term or clause should be substituted with another term or clause that is enforceable and most nearly achieves the same objectives. Where a court determines that neither modification nor substitution of such term or clause is feasible under the circumstances, only then shall the offending term or clause be severed and stricken from the Agreement, but only to the extent that the term or clause is invalid or unenforceable, and the remaining provisions of the Agreement shall be enforced in accordance with their terms and entitled to full force and effect.

9. Permitted Disclosures. Notwithstanding any other provision of this Agreement, Participant will not be held civilly or criminally liable under any federal or state trade secret law for disclosing a trade secret of the Company in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney representing or advising Participant concerning such disclosure, if the disclosure (a) is made solely for the purpose of reporting or investigating a suspected violation of law or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal. In addition, if Participant files a lawsuit against the Company for retaliation for reporting a suspected violation of law, Participant may disclose trade secrets of the Company to the attorney representing him/her and may use the trade secret information in the court proceeding, only if any document containing the trade secret is filed under seal, and Participant does not disclose the trade secret except as specifically directed or authorized by a court order. In addition, nothing in this Agreement should be construed (i) to impede or interfere with Participant's right to respond truthfully and completely to any request for information regarding the Company's activities where disclosure is required by legal process, or (ii) to prevent Participant from communicating directly with, responding to any inquiry from, or providing truthful testimony or information to, any regulatory or law enforcement agency of the United States, the U.S. Congress, an Inspector General, or a state government agency in the course of a lawful investigation or proceeding. Participant is not required to contact the Company as a precondition to any of the foregoing, provided, however, that Participant cannot, without the written approval of the Company's General Counsel, disclose the substance of communications

between the Company personnel and the Company's legal counsel which are protected by the Company's attorney-client privilege.

10. General.

a. With the exception of modification or substitution of terms by a court of competent jurisdiction under the Conformance and Severability section above, no modification or waiver of any provision of this Agreement shall be valid unless in writing signed by both Parties and specifically referring to this Agreement by name.

b. Participant acknowledges that the services to be rendered by Participant are personal and that Participant may not assign any of her/his duties or obligations under this Agreement. The Company may assign the Agreement to any successor or transferee. This Agreement shall be valid and binding upon all heirs, successors and assigns of the Parties.

c. No delay or omission in enforcing any provision of this Agreement or in exercising any right or remedy set forth in this Agreement shall operate as a waiver of any right or remedy or preclude enforcement or specific performance of such provision or the exercise of any right or remedy.

d. The Parties acknowledge that they have each read this Agreement in its entirety, understand it, agree to be bound by its terms and conditions, and intend that the Agreement be interpreted as if drafted equally by both Parties.

e. Participant agrees that the Company may, in its sole discretion, share all or part of this Agreement with any future or prospective employer to the extent reasonably necessary to ensure Participant's compliance. In addition, Participant agrees to provide the Company, upon its request, with the name, address, and contact information of any new employer or third party whose relationship with Participant may violate the provisions of this Agreement.

Certain terms in this Exhibit have been redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish to the SEC an unredacted copy of this Exhibit to the SEC upon its request

**AXALTA COATING SYSTEMS LTD.
SECOND AMENDED AND RESTATED 2014 INCENTIVE AWARD PLAN**

RESTRICTED STOCK UNIT GRANT NOTICE

Axalta Coating Systems Ltd., a Bermuda exempted limited liability company (the “Company”), pursuant to its Second Amended and Restated 2014 Incentive Award Plan, as amended from time to time (the “Plan”), hereby grants to the holder listed below (“Participant”) the number of Restricted Stock Units (the “RSUs”) set forth below. The RSUs are subject to the terms and conditions set forth in this Restricted Stock Unit Grant Notice (the “Grant Notice”) and the Restricted Stock Unit Agreement attached hereto as Exhibit A, including Appendix 1 (Confidentiality and Business Protection Agreement) thereto (the “Agreement”) and the Plan, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in the Grant Notice and the Agreement.

Participant:

Grant Date:

Number of RSUs:

Type of Shares Issuable: Common Stock

By Participant’s signature below, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement and the Grant Notice. Participant has reviewed the Agreement, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice or the Agreement.

AXALTA COATING SYSTEMS LTD.

PARTICIPANT

By:
Print Name:
Title:

By:
Print Name:



EXHIBIT A
TO RESTRICTED STOCK UNIT GRANT NOTICE
RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of RSUs set forth in the Grant Notice.

ARTICLE I.

GENERAL

1.1 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice.

1.2 Incorporation of Terms of Plan. The RSUs and the shares of Common Stock (“Shares”) issued to Participant hereunder are subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control, except with respect to the definition of Change in Control as defined in this Agreement.

ARTICLE II.

AWARD OF RESTRICTED STOCK UNITS AND DIVIDEND EQUIVALENTS

2.1 Award of RSUs and Dividend Equivalents.

(a) In consideration of Participant’s past and/or continued employment with or service to the Company or a Subsidiary and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the “Grant Date”), the Company has granted to Participant the number of RSUs set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Section 13.2 of the Plan. Each RSU represents the right to receive one Share or, at the option of the Company, an amount of cash as set forth in Section 2.3(b), in either case, at the times and subject to the conditions set forth herein. However, unless and until the RSUs have vested, Participant will have no right to the payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the RSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each RSU granted pursuant to the Grant Notice for all ordinary cash dividends which are paid to all or substantially all holders of the outstanding Shares between the Grant Date and the date when the applicable RSU is distributed or paid to Participant or is forfeited or expires. The Dividend Equivalents for each RSU shall be equal to the amount of cash which is paid as a dividend on one share of Common Stock. All such Dividend Equivalents shall be credited to Participant and paid in cash at the same time as the distribution or payment is made of the RSU to which such Dividend Equivalent relates in accordance with Section 2.3 below. Any Dividend Equivalents that relate to RSUs that are forfeited shall likewise be forfeited without consideration.

2.2 Vesting of RSUs and Dividend Equivalents.

(a) Subject to Participant's continued employment with or service to the Company or a Subsidiary on each applicable vesting date and subject to the terms of this Agreement, the RSUs shall vest as follows: three equal installments occurring on the first, second and third anniversaries of the Grant Date. Each additional RSU which results from deemed reinvestments of Dividend Equivalents pursuant to Section 2.1(b) hereof shall vest whenever the underlying RSU to which such additional RSU relates vests. In the event of Participant's Termination of Service (i) by the Company without Cause within two (2) years after a Change in Control (subject to Section 2.2(c)), (ii) by the Company by reason of Participant's Disability or (iii) by reason of death, any unvested RSUs shall immediately vest in full and be settled; provided, that if Participant is party to a severance or employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, in either case, that provides greater vesting protection to Participant, the RSUs shall be treated in accordance with the applicable terms of such agreement or policy.

(b) In the event Participant incurs a Termination of Service, except as may be otherwise provided by the Administrator or as set forth in a written agreement between Participant and the Company, Participant shall immediately forfeit any and all RSUs and Dividend Equivalents granted under this Agreement which have not vested or do not vest on or prior to the date on which such Termination of Service occurs, and Participant's rights in any such RSUs and Dividend Equivalents which are not so vested shall lapse and expire.

(c) As a condition to any accelerated vesting of the RSUs due to Participant's Termination of Service by the Company without Cause within two (2) years after a Change in Control as set forth in Section 2.2(a), Participant shall, within the thirty (30) day period following the date of Participant's Termination of Service, execute and not revoke a general release of all claims, including all known and unknown and current and potential claims, in favor of the Company and its affiliates in either (A) a form provided to Participant by the Company or (B) if Participant is party to a severance or employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, the form of release of claims applicable to Participant under such agreement or policy.

2.3 Distribution or Payment of RSUs.

(a) Participant's RSUs shall be distributed in Shares (either in book-entry form or otherwise) or, at the option of the Company, paid in an amount of cash as set forth in Section 2.3(b), in either case, as soon as administratively practicable following the vesting of the applicable RSU pursuant to Section 2.2, and, in any event, within sixty (60) days following such vesting. Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of RSUs if it reasonably determines that such payment or distribution will violate federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A of the Code.

(b) In the event that the Company elects to make payment of Participant's RSUs in cash, the amount of cash payable with respect to each RSU shall be equal to the Fair Market Value of a Share on the day immediately preceding the applicable distribution or payment date set forth in

Section 2.3(a). All distributions made in Shares shall be made by the Company in the form of whole Shares, and any fractional share shall be distributed in cash in an amount equal to the value of such fractional share determined based on the Fair Market Value as of the date immediately preceding the date of such distribution.

2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares prior to the fulfillment of all of the following conditions: (A) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (B) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (C) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, and (D) the receipt of full payment of any applicable withholding tax in accordance with Section 2.5 by the Company or its Subsidiary with respect to which the applicable withholding obligation arises.

2.5 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) Participant shall be required to remit to the Company or the applicable Subsidiary, an amount sufficient to satisfy applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by law to be withheld with respect to any taxable event arising pursuant to this Agreement. With respect to any withholding taxes arising in connection with the Shares upon settlement of the RSUs, unless Participant makes an advance election pursuant to this Section 2.5(a), the Company shall withhold a net number of Shares otherwise issuable pursuant to the RSUs being settled having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries for federal, state, local and foreign income and payroll taxes purposes, up to the maximum statutory withholding rate. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company to complete the withholding described in the previous sentence. Alternatively, Participant may elect to satisfy such tax withholding obligations in one or more of the forms specified below, provided such election is made in accordance with any advance notice requirements that the Company may establish for this purpose:

(i) by cash or check made payable to the Company or the Subsidiary with respect to which the withholding obligation arises;

(ii) with respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the RSUs, unless otherwise determined by the Administrator, by requesting that the Company and its Subsidiaries instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those Shares then issuable to Participant pursuant to the RSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Company or the Subsidiary with respect to which the withholding obligation arises;

(iii) with respect to any withholding taxes arising in connection with the distribution of Shares upon settlement of the RSUs, unless otherwise determined by the Administrator, by tendering to the Company vested Shares having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Company and its Subsidiaries for federal, state, local and foreign income and payroll taxes, up to the maximum statutory withholding rate; or

(iv) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the RSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to (i) deduct such amounts from other compensation payable to Participant and/or (ii) treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a) above. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the RSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs. The Company may refuse to issue any Shares in settlement of the RSUs to Participant until the foregoing tax withholding obligations are satisfied, *provided* that no payment shall be delayed under this Section 2.5 if such delay will result in a violation of Section 409A of the Code.

(c) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action the Company or any Subsidiary takes with respect to any tax withholding obligations that arise in connection with the RSUs. Neither the Company nor any Subsidiary makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Company and the Subsidiaries do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax liability.

2.6 Rights as Shareholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a shareholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a shareholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

ARTICLE III.

OTHER PROVISIONS

3.1 Administration. The Administrator shall have the exclusive power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

3.2 RSUs Not Transferable. The RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the RSUs have been issued, and all restrictions applicable to such Shares have lapsed. No

RSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence.

3.3 Adjustments. The Administrator may accelerate the vesting of all or a portion of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs and the Shares subject to the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Section 13.2 of the Plan.

3.4 Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Chief Human Resources Officer of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this Section 3.4, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email (if to Participant) or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

3.5 Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

3.6 Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

3.7 Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

3.8 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of Participant.

3.9 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 3.2 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs (including RSUs which result from the deemed reinvestment of Dividend Equivalents), the Dividend Equivalents, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

3.11 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of the Company or any Subsidiary or shall interfere with or restrict in any way the rights of the Company and its Subsidiaries, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent expressly provided otherwise in a written agreement between the Company or a Subsidiary and Participant.

3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit or appendix hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof; provided, however, that (i) if Participant is party to a severance or employment agreement with the Company or any of its affiliates or is a participant in a severance policy of the Company or any of its affiliates, in either case, that provides greater vesting protection to Participant, then the RSUs shall be treated in accordance with the applicable terms of such agreement or policy; and (ii) if Participant is party to the Company's Executive Restrictive Covenant and Severance Agreement or other severance, non-compete, employment or similar agreement with the Company or any of its affiliates that includes the same or similar restrictive covenants as those in Appendix 1, then Appendix 1 shall not apply to Participant. For the avoidance of doubt, the Company's Restrictive Covenant and Severance Policy does not constitute an agreement with the same or similar covenants as Appendix 1.

3.13 Section 409A. This Award is not intended to constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code (together with any Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof, "Section 409A"). However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

3.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

3.15 Limitation on Participant's Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the

Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs and Dividend Equivalents.

3.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

3.17 Broker-Assisted Sales. In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 2.5(a): (A) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation arises or as soon thereafter as practicable; (B) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (C) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (D) to the extent the proceeds of such sale exceed the applicable tax withholding obligation, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (E) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation; and (F) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Company or its Subsidiary with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the Company's or the applicable Subsidiary's withholding obligation.

3.18 Recoupment. Notwithstanding any other provision of the Agreement to the contrary, Participant acknowledges and agrees that all Shares acquired pursuant to the Plan, under this Agreement or otherwise, shall be and remain subject to any incentive compensation recoupment policy of the Company currently in effect or as may be adopted by the Company and, in each case, as may be amended from time to time. No such policy adoption or amendment shall require Participant's prior consent. For purposes of the foregoing, Participant expressly and explicitly authorizes the Company to issue instructions, on Participant's behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold Participant's Shares, and other amounts acquired under the Plan to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company.

3.19 Definitions. Notwithstanding anything to the contrary in the Plan, for purposes of this Agreement:

(a) "Change in Control" shall mean and includes each of the following: (i) a transaction or series of transactions occurring after the Grant Date whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing 30% or more of the total combined voting power of the Company's securities outstanding immediately after such transaction; (ii) during any 12 month period, individuals who, at the beginning of such period, constitute the Board together with any new members of the Board whose election by the Board or nomination for election by the Company's members was approved by a vote of at least two-thirds of the

members of the Board then still in office who either were members of the Board at the beginning of the one-year period or whose election or nomination for election was previously so approved (other than (x) an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company, as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act, and (y) any member of the Board whose initial assumption of office during such 12 month period in connection with a transaction described in clause (iii)(x) below that occurs with a non-affiliate third party), cease for any reason to constitute a majority thereof; or (iii) the consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) after the Grant Date of (x) a merger, consolidation, reorganization, or business combination, (y) a sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the Company's assets, or (z) the acquisition of assets or stock of another entity, other than a transaction:

(i) in the case of clauses (i) and (iii), which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity")) directly or indirectly, more than seventy percent (70%) of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

(ii) in the case of clause (iii), after which no person or group beneficially owns voting securities representing 30% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this clause (b) as beneficially owning 30% or more of combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

(b) "Disability" shall mean the following: (a) if Participant is a party to an employment, severance or similar agreement with the Company or any of its affiliates in which "disability" or term of like import is defined, "Disability" or term of like import as defined in such agreement and (b) if no such agreement exists, at any time the Company or any of its affiliates sponsors a long-term disability plan for the Company's employees, "disability" as defined in such long-term disability plan for the purpose of determining a participant's eligibility for benefits, provided, however, if the long-term disability plan contains multiple definitions of disability, "Disability" shall refer to that definition of disability which, if Participant qualified for such disability benefits, would provide coverage for the longest period of time. The determination of whether Participant has a Disability shall be made by the person or persons required to make disability determinations under the long-term disability plan. At any time the Company does not sponsor a long-term disability plan for its employees, Disability shall mean Participant's inability to perform, with or without reasonable accommodation, the essential functions of Participant's position for a total of three months during any six-month period as a result of incapacity due to mental or physical illness as determined by a physician selected by the Company or its insurers and acceptable to Participant or Participant's legal representative, with such agreement as to acceptability not to be unreasonably withheld or delayed.

* * * *

**APPENDIX 1
TO RESTRICTED STOCK UNIT AGREEMENT**

CONFIDENTIALITY AND BUSINESS PROTECTION AGREEMENT

Capitalized terms used but not defined in this Appendix 1 shall have the respective meanings ascribed to such terms in the Agreement, the Grant Notice or the Plan, as applicable.

WHEREAS, the Company operates in a highly competitive business environment and has a legitimate interest in protecting its valuable assets, including its confidential information, trade secrets, and intellectual property; its Goodwill (as defined below) and reputation; the business relationships it has developed with its clients and vendors; and the training and development of its employees;

WHEREAS, Participant's employment and responsibilities with the Company have permitted and will in the future permit Participant to have access to competitively sensitive and highly confidential business information and trade secrets of the Company and to derive and enjoy the benefit of the Company's relationships with its customers and business partners, which have been developed by the Company's employees and/or as a result of the innovative products and technologies that the Company has brought or will bring to its customers ("Goodwill");

WHEREAS, the Company's customers are located across the United States and around the world; the market for the Company's products, processes, and services is national and international in scope; the Company sells and markets the same or similar products, processes, and services across state and national boundaries; and the Company's market expands or contracts over time based on the growth of the Company's business and the demand for the Company's products, processes, and services;

WHEREAS, the Company desires to ensure that its confidential information, trade secrets, intellectual property, Goodwill, reputation, business relationships, and investment in training and developing employees are adequately protected and are not used or disclosed without proper authorization by the Company; and

WHEREAS, Participant's eligibility to receive the RSUs are conditioned upon Participant's timely acceptance of the obligations and other terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of Participant's eligibility for the RSUs, and as a condition of Participant's continued access to the Company's confidential information and trade secrets and the benefit of the Company's Goodwill and customer relationships, the Company and Participant agree as follows:

1. Access to Confidential Information. In the course of Participant's employment, the Company will provide Participant with access to certain Confidential Information, which is not in the public domain, is highly valuable and competitively sensitive and which, if acquired by the Company's competitors, would cause irreparable harm to the Company. As used in this Agreement, "Confidential Information" means all information that Participant acquires from the Company which is not publicly known outside of the Company, and which concerns any of the following: the methods, processes, or know-how used or developed by the Company to design, manufacture, distribute, market, or sell its products, processes, or services; the research, development, or design of the Company's products or processes; the Company's plans or strategies for sales, marketing, or distribution; the Company's supply and distribution processes or arrangements; research initiatives or projects; results of tests or experiments; information on financial performance, pricing, margins, or profits or production, labor, or other costs; market or sales data; existing or planned merger, acquisition, or divestiture activities; proposals or terms of contracts with customers, suppliers, distributors, or others; the identity and skills of other the Company

employees; and information provided to the Company by its customers, suppliers, or third parties pursuant to a confidentiality obligation or an expectation of confidentiality.

2. Covenants to Protect Confidential Information. Participant covenants, promises, and agrees that she/he will not, directly or indirectly, use Confidential Information (or cause or permit it to be used) for any purpose other than the good-faith performance of her/his duties as a Company employee. In addition, subject to the Permitted Disclosures referenced below, Participant covenants, promises, and agrees that she/he will not, directly or indirectly, disclose Confidential Information (or cause or permit it to be disclosed) to any individual or person other than employees, consultants, contractors, suppliers, vendors, or teammates authorized by the Company to receive such information and having a need to know such information in connection with the good-faith support of the Company's business activities. Participant further covenants, promises, and agrees (a) not to remove from the Company's premises (including the Company's computer systems, servers, and networks) any Confidential Information in any form, except as required in the performance of his or her duties as an the Company employee, and (b) to return to the Company any and all records containing Confidential Information immediately upon termination of the employment relationship between Participant and the Company. Furthermore, Participant covenants, promises, and agrees not to accept employment with any employer that manufactures, markets, or sells products, processes, or services that are similar to or competitive with products, processes, or services manufactured, marketed, or sold by the Company, where such employment would involve duties the performance of which would inevitably cause Participant to use or disclose Confidential Information of the Company for the benefit of a third party in violation of this Agreement. The covenants and promises set forth in this section shall continue both during and after Participant's employment with the Company and, notwithstanding any other provision of this Agreement, in all cases shall be subject to the Permitted Disclosures referenced below.

3. Covenant to Protect Goodwill and Customer Relationships. Participant acknowledges that the Goodwill of the Company shall belong to the Company and not be used for the benefit of Participant, a future employer, or any other third party. In recognition of the value and importance of the Goodwill to the Company, Participant covenants, promises, and agrees that, during the Restricted Period (as defined below), Participant will refrain from directly or indirectly soliciting or attempting to solicit business from a Customer¹ or a Prospective Customer,² where a purpose of such solicitation is to induce the Customer or Prospective Customer to reduce or alter its business relationship with the Company or to purchase or acquire from a third party any product, process, or service that is competitive with any product, process, or service that the Company offers to its customers. As used in this Agreement, the Restricted Period shall consist of the continuous period of twelve (12) consecutive months immediately following Participant's separation from service with the Company, provided, however, that this twelve (12)-month period may be extended by any period of Participant's noncompliance with the covenants and promises set forth in this Agreement.

¹ "Customer" refers to any person or entity (a) to which Axalta sells any of its products, processes, or services during Participant's employment with Axalta, and (b) with which Participant has one or more business contacts or as to which Participant receives or acquires any Confidential Information at any time in the course of the final 24 months of Participant's employment with Axalta.

² "Prospective Customer" refers to any person or entity with respect to which, at any time in the course of the final 24 months of Participant's employment with Axalta, Participant is involved in seeking to market, sell, or develop opportunities for the sale of any of Axalta's products, processes, or services.

4. Covenant Not to Solicit Employees. In recognition of the Company's investment in recruiting, training, and developing its employees, Participant covenants, promises, and agrees that, during employment by the Company and during the Restricted Period, she/he shall not solicit or encourage any employee of the Company to resign from or cease employment with the Company, or to accept a position as an employee or consultant for any other entity or person that manufactures, sells, or markets products, processes, or services that are similar to or competitive with products, processes, or services manufactured, sold, or marketed by the Company. This Section 4 does not apply to the solicitation of any Company employee who is not employed by the Company until after the date on which Participant's Termination of Service occurs.

5. Covenants Not to Compete.

a. Establishment or Leadership of a Competitive Business. During Participant's employment with the Company, and during the Restricted Period, Participant covenants, promises, and agrees that she/he shall not, within the Geographic Territory, either (i) directly or indirectly own, establish, or control (other than through ownership of less than two percent (2%) of the shares of publicly traded stock) or (ii) serve as an officer, director, principal, or partner of a business that manufactures, develops, markets, or sells products, processes, or services that are similar to or competitive with the products, processes, or services that are manufactured, marketed, sold, or being developed by the Company during the final twenty-four (24) months of Participant's employment with the Company. As used herein, the "Geographic Territory" is defined to include all states of the United States in which the Company manufactures, distributes, sells, or markets its products, processes, or services during the twenty-four (24) months immediately preceding the start of the Restricted Period, and all countries in which the Company manufactures, distributes, sells, or markets its products, processes, or services during the twenty-four (24) months immediately preceding the start of the Restricted Period. The Geographic Territory does not include any state or country in which the Company does not maintain operations or commence sales or marketing until after the start of the Restricted Period.

b. Prohibited Positions with Competitors. During Participant's employment with the Company and during the Restricted Period, Participant covenants, promises, and agrees that she/he shall not directly or indirectly engage in, have any equity interest in, interview for a potential employment or consulting relationship with or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) that engages in any business which competes with any portion of the Business (as defined below) of the Company. The term "Business" refers to the business of the Company and shall include the manufacturing and sale of automotive and industrial paints, coatings and related products, as such business may be expanded or altered by the Company during the term of Participant's employment with the Company. This Agreement shall not be construed to bar any attorney from engaging in the practice of law as an attorney for any third party; provided that he or she otherwise complies with his or her obligations under this Agreement and under the applicable rules of professional conduct.

6. Nature and Timing of Separation. The obligations set forth in this Agreement shall apply regardless of the voluntary or involuntary nature of the termination of the employment relationship between the Company and Participant, the duration of that relationship, or any other circumstances under which the relationship terminates.

7. Injunctive Relief. Participant specifically acknowledges and agrees that Participant's violation of any obligation under the preceding sections of this Agreement will cause irreparable harm to the Company's legitimate business interests, and that such harm cannot be measured by any specific amount of money or adequately remedied by the award of any sum of monetary damages. Therefore, Participant specifically agrees and understands that the Company will be entitled to specific performance and injunctive and other equitable relief in case of any breach or attempted breach of the preceding sections and agrees not to assert as a defense that the Company has an adequate remedy at law. Any injunctive relief shall be in addition to, and not in lieu of, any other remedies available to the Company.

8. Conformance and Severability. It is the intent of the Parties that each of the covenants and promises set forth above is divisible and severable from the other covenants and promises in those sections. The Parties further intend that this Agreement be enforceable to the maximum extent possible and that, if a court of competent jurisdiction determines that any term or clause renders some or all of this Agreement invalid or unenforceable, then, such term or clause should be modified to the extent necessary to make the Agreement legal and enforceable while preserving as much as possible of the intent of such term or clause. Where a court of competent jurisdiction determines that any term or clause renders some or all of this Agreement invalid or unenforceable, and such modification is not feasible, it is the intent of the Parties that the offending term or clause should be substituted with another term or clause that is enforceable and most nearly achieves the same objectives. Where a court determines that neither modification nor substitution of such term or clause is feasible under the circumstances, only then shall the offending term or clause be severed and stricken from the Agreement, but only to the extent that the term or clause is invalid or unenforceable, and the remaining provisions of the Agreement shall be enforced in accordance with their terms and entitled to full force and effect.

9. Permitted Disclosures. Notwithstanding any other provision of this Agreement, Participant will not be held civilly or criminally liable under any federal or state trade secret law for disclosing a trade secret of the Company in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney representing or advising Participant concerning such disclosure, if the disclosure (a) is made solely for the purpose of reporting or investigating a suspected violation of law or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, as long as such filing is made under seal. In addition, if Participant files a lawsuit against the Company for retaliation for reporting a suspected violation of law, Participant may disclose trade secrets of the Company to the attorney representing him/her and may use the trade secret information in the court proceeding, only if any document containing the trade secret is filed under seal, and Participant does not disclose the trade secret except as specifically directed or authorized by a court order. In addition, nothing in this Agreement should be construed (i) to impede or interfere with Participant's right to respond truthfully and completely to any request for information regarding the Company's activities where disclosure is required by legal process, or (ii) to prevent Participant from communicating directly with, responding to any inquiry from, or providing truthful testimony or information to, any regulatory or law enforcement agency of the United States, the U.S. Congress, an Inspector General, or a state government agency in the course of a lawful investigation or proceeding. Participant is not required to contact the Company as a precondition to any of the foregoing, provided, however, that Participant cannot, without the written approval of the Company's General Counsel, disclose the substance of communications between the Company personnel and the Company's legal counsel which are protected by the Company's attorney-client privilege.

10. General.

a. With the exception of modification or substitution of terms by a court of competent jurisdiction under the Conformance and Severability section above, no modification or waiver of any provision of this Agreement shall be valid unless in writing signed by both Parties and specifically referring to this Agreement by name.

b. Participant acknowledges that the services to be rendered by Participant are personal and that Participant may not assign any of her/his duties or obligations under this Agreement. The Company may assign the Agreement to any successor or transferee. This Agreement shall be valid and binding upon all heirs, successors and assigns of the Parties.

c. No delay or omission in enforcing any provision of this Agreement or in exercising any right or remedy set forth in this Agreement shall operate as a waiver of any right or remedy or preclude enforcement or specific performance of such provision or the exercise of any right or remedy.

d. The Parties acknowledge that they have each read this Agreement in its entirety, understand it, agree to be bound by its terms and conditions, and intend that the Agreement be interpreted as if drafted equally by both Parties.

e. Participant agrees that the Company may, in its sole discretion, share all or part of this Agreement with any future or prospective employer to the extent reasonably necessary to ensure Participant's compliance. In addition, Participant agrees to provide the Company, upon its request, with the name, address, and contact information of any new employer or third party whose relationship with Participant may violate the provisions of this Agreement.

EXECUTION COPY

Certain terms in this Exhibit have been redacted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The Company agrees to furnish to the SEC an unredacted copy of this Exhibit to the SEC upon its request

Separation and Release Agreement

This Separation and Release Agreement (“Agreement”) is made by and between Shelley Bausch (“Executive”) and Axalta Coating Systems Ltd., a Bermuda exempted company limited by shares (the “Company” and as the context requires the Company shall include the Company’s subsidiaries) (collectively, referred to as the “Parties” or individually referred to as a “Party”). Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Policy (as defined below).

WHEREAS, the Executive is a participant in the Axalta Coating Systems Ltd. Restrictive Covenant and Severance Policy (as amended, the “Policy”); and

WHEREAS, in connection with Executive’s termination of employment with the Company, the Parties wish to resolve any and all disputes, claims, complaints, grievances, charges, actions, petitions, and demands that Executive may have against the Company and any of the Releasees as defined below, including, but not limited to, any and all claims arising out of or in any way related to Executive’s employment with or separation from the Company or its subsidiaries or affiliates but, for the avoidance of doubt, nothing herein will be deemed to release any rights or remedies in connection with (i) Executive’s ownership of vested equity securities of the Company, (ii) Executive’s right to indemnification by the Company or any of its affiliates pursuant to contract or applicable law, or (iii) Executive’s rights under this Agreement, provided Executive complies with the terms hereof (collectively, the “Retained Claims”).

NOW, THEREFORE, in consideration of the severance payments described in Section 2(a) of the Policy, which, pursuant to the Policy, are conditioned on Executive’s execution and non-revocation of a general release of the Company, and in consideration of the mutual promises made herein, the Company and Executive hereby agree as follows:

1. Termination Date; Continuing Obligations; Transition Assistance. Effective as of January 27, 2025 Executive shall cease to serve (a) as the Company’s President, Global Industrial Coatings, and (b) as an officer or director of the Company and any direct or indirect subsidiary of the Company; provided, however, that Executive’s employment with the Company shall end on March 7, 2025 (the “Termination Date”). Effective as of the Termination Date, the Executive will have no employment relationship with, or authority to represent or act on behalf of, the Company. In addition, the Executive agrees to execute all necessary letters of resignation from any Company subsidiaries of which Executive is an officer or director, upon or prior to the Termination Date. Between the date this Agreement is executed and the Termination Date, subject to Executive’s compliance with the terms of this Agreement, Executive will continue to receive Executive’s current base salary and will continue to participate as an active employee in the benefit plans and programs in which Executive currently participates. During such period, Executive will continue to have a duty of loyalty to the Company, will continue to be subject to the same policies as other active employees, will be expected to conduct herself in accordance with the Company’s policies during that time, and will be expected to continue to comply with the terms of this Agreement, the Policy, and any other written agreement Executive may have

signed regarding intellectual property, confidentiality, non-competition, non-solicitation of customers or employees, or the protection of trade secrets or proprietary information. Additionally, from the date hereof through the Termination Date, Executive agrees to coordinate with the Chief Executive Officer of the Company and others acting at the Chief Executive Officer's direction regarding the transition of Executive's responsibilities to others and to cooperate in the orderly transition of Executive's responsibilities as a Company executive.

2. Severance Payments; Salary, Benefits. If Executive (i) complies with the terms of this Agreement, (ii) executes and does not revoke this Agreement and, (iii) executes and does not revoke the Final Release attached hereto as Appendix A, which is incorporated herein by reference and made a part hereof, the Company agrees to provide Executive with (x) the severance payments and benefits described and due under Section 2(a) of the Policy, payable in US dollars, and at the times set forth in, and subject to the terms and conditions of, the Policy, and (y) 12 months of outplacement services to be provided by the Company's outplacement vendor. In addition, Executive shall be entitled to receive a bonus under the 2024 annual bonus plan, based on the Company's actual performance for the full year and Executive's individual performance, which individual performance shall be determined by Axalta's Chief Executive Officer, and paid at the same time the 2024 annual bonuses are paid to Axalta's executives.

3. Release of Claims. Executive agrees that, other than with respect to the Retained Claims, the foregoing consideration represents settlement in full of all outstanding obligations owed to Executive by the Company and any of its Affiliates, and any of their current and former officers, directors, equity holders, managers, employees, agents, investors, attorneys, shareholders, members, administrators, affiliates, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries and predecessor and successor corporations and assigns (collectively, the "Releasees"). Executive, on Executive's own behalf and on behalf of any of Executive's affiliated companies or entities and any of their respective heirs, family members, executors, agents, and assigns, other than with respect to the Retained Claims, hereby and forever releases the Releasees from, and agrees not to sue concerning, or in any manner to institute, prosecute, or pursue, any claim, complaint, charge, duty, obligation, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, facts, or damages that have occurred up until and including the Effective Date (as defined in Section 14 below), including, without limitation:

(a) any and all claims relating to or arising from Executive's employment or service relationship with the Company or any of its direct or indirect subsidiaries or affiliates and the termination of that relationship;

(b) any and all claims relating to, or arising from, Executive's right to purchase, or actual purchase of any common shares or other equity interests of the Company or any of its affiliates, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

(c) any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of the covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

(d) any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; and the Sarbanes-Oxley Act of 2002;

(e) any and all claims for violation of the federal or any state constitution;

(f) any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

(g) any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Agreement; and

(h) any and all claims for attorneys' fees and costs.

Executive agrees that the release set forth in this Section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that Executive's release of claims herein bars Executive from recovering such monetary relief from the Company or any Releasee), claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law, claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA, claims to any benefit entitlements vested as the date of separation of Executive's employment, pursuant to written terms of any employee benefit plan of the Company or its affiliates and Executive's right under applicable law and any Retained Claims. This release further does not release claims for breach of Section 2(a) of the Policy.

4. Acknowledgment of Waiver of Claims under ADEA. Executive understands and acknowledges that Executive is waiving and releasing any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA"), and that this waiver and release is

knowing and voluntary. Executive understands and agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the Effective Date of this Agreement. Executive understands and acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Executive was already entitled. Executive further understands and acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Agreement; (b) Executive has 21 days within which to consider this Agreement; (c) Executive has seven days following Executive's execution of this Agreement to revoke this Agreement pursuant to written notice to [•] in accordance with Section 14 of this Agreement; (d) this Agreement shall not be effective until after the revocation period has expired; and (e) nothing in this Agreement prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Agreement and returns it to the Company in less than the 21 day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Agreement

5. Confirmation of Forfeiture of Unvested Equity Awards and Continuing Obligations and Confidentiality.

(a) Forfeiture of Unvested Equity Awards. Executive acknowledges that, consistent with the terms of the other applicable equity award agreements, all of Executive's equity awards that are unvested on the Termination Date will automatically be forfeited on the Termination Date; provided, however, that, notwithstanding the immediately preceding sentence, Executive shall be entitled to the performance share units that are earned under the Performance Share Unit Grant Notice, dated as of February 15, 2022, as determined by the Compensation Committee pursuant to such notice, and the Performance Share Unit Award Agreement attached thereto, and the Company's Second Amended and Restated 2014 Incentive Award Plan.

(b) Non-Disparagement. Each Party (which, in the case of the Company, shall mean its officers and the members of the Board) agrees, during Executive's employment with the Company and following the Termination Date, to refrain from Disparaging (as defined below) the other Party and its Affiliates, including, in the case of the Company, any of its services, technologies or practices, or any of its directors, officers, employees, agents, representatives or members, either orally or in writing. Nothing in this paragraph shall preclude any Party from making truthful statements that are reasonably necessary to (a) comply with applicable law, regulation or legal process, (b) report possible violations of applicable law or regulation to any governmental agency or entity, including any such report made in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation or (c) defend or enforce a Party's rights under this Agreement or the Policy. For purposes of this Agreement, "Disparaging" means public remarks, comments or statements, whether written or oral, that impugn the character, integrity, reputation or abilities of the person being disparaged. Regardless of whether made publicly, "Disparaging" conduct against the Company and its Affiliates shall include communications to any customer or prospective

customer, any employee or prospective employee, any supplier or prospective supplier, any service provider or prospective service provider, any lender or prospective lender and/or any prospective member of the Board.

(c) Confidentiality of Agreement. Executive acknowledges and agrees that disclosure of the terms of this Agreement at any time could cause damages to the Company. Accordingly, Executive represents and agrees that Executive has kept and, at all times in the future, will continue to keep this Agreement and its terms strictly confidential and will refrain from disclosing this Agreement or its terms in any manner, written or oral. Notwithstanding the foregoing, Executive may disclose the foregoing: (1) to Executive's attorney(s), advisor(s), and accountant(s) to the extent necessary for legal or investment advice or income tax reporting purposes (provided Executive ensures that such persons maintain the confidentiality thereof), (2) in response to a subpoena duly issued by a court of law or a government agency having proper jurisdiction or power to compel such disclosure or as otherwise required by law, (3) to Executive's spouse/partner (provided Executive ensures that Executive's spouse/partner maintains the confidentiality thereof), or (4) in connection with the enforcement of this Agreement.

(d) Whistleblower Provision. Notwithstanding anything to the contrary contained in this Agreement or any confidentiality and inventions assignment or similar agreement, (a) Executive will not be prevented from reporting possible violations of federal law or regulation to any United States governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies), and (b) Executive acknowledges that Executive will not be held criminally or civilly liable for (i) the disclosure of confidential or proprietary information that is made in confidence to a government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) disclosure of confidential or proprietary information that is made in a complaint or other document filed in a lawsuit or other proceeding under seal or pursuant to court order.

6. Restrictive Covenants.

(a) As a condition to receiving benefits under the Policy and in addition to any other non-competition or non-solicitation provisions between Executive and the Company or any of its Affiliates, Executive shall not, at any time during the Restriction Period (as defined below), directly or indirectly:

(i) engage in, have any equity interest in, interview for a potential employment or consulting relationship with or manage, provide services to or operate any person, firm, corporation, partnership or business (whether as director, officer, employee, agent, representative, partner, security holder, consultant or otherwise) that engages in any business which competes with any portion of the Business (as defined below) of the Company anywhere in the world. Nothing herein shall prohibit the Executive from practicing law or being a passive owner of not more than 2% of the outstanding equity interest in any entity that is publicly traded, so long as the Executive has no active participation in the business of such entity; or

(ii) (A) solicit, divert or take away any customers, clients, or business acquisition or other business opportunity of the Company, (B) contact or solicit, with respect to hiring, or hire any employee of the Company or any person employed by the Company at any time during the 12 month period immediately preceding the Termination Date, (C) induce or otherwise counsel, advise or encourage any employee of the Company to leave the employment of the Company, or (D) induce any distributor, representative or agent of the Company to terminate or modify its relationship with the Company.

(b) In the event the terms of this Section 6 shall be determined by any court of competent jurisdiction to be unenforceable by reason of its extending for too great a period of time or over too great a geographical area or by reason of its being too extensive in any other respect, it will be interpreted to extend only over the maximum period of time for which it may be enforceable, over the maximum geographical area as to which it may be enforceable, or to the maximum extent in all other respects as to which it may be enforceable, all as determined by such court in such action.

(c) As used in this Section 6, (i) the term "Company" shall include the Company and its direct and indirect parents and subsidiaries, (ii) the term "Business" shall mean the business of the Company and shall include the manufacturing and sale of automotive and industrial paints, coatings and related products, as such business may be expanded or altered by the Company during the term of the Executive's employment with the Company and (iii) the term "Restriction Period" shall mean, with respect to the Executive, the period beginning on the Termination Date and ending at the end of the Severance Period.

7. Condition to Severance Obligations; Claw-back. The Company shall be entitled to cease and/or recoup all severance payments and benefits to the Executive in the event of the Executive's breach any of the provision of Section 5(b) or 5(c) of this Agreement, Section 6 of this Agreement or of any other non-competition, non-solicitation, non-disparagement, confidentiality, or assignment of inventions covenants contained in any other agreement between the Executive and the Company or any of its Affiliates, which other covenants are hereby incorporated by reference into this Agreement.

8. Injunctive Relief. A breach of the covenants contained in Section 6 of this Agreement will cause irreparable damage to the Company and its goodwill, the exact amount of which will be difficult or impossible to ascertain, and that the remedies at law for any such breach will be inadequate. Accordingly, as a condition to receiving payments and benefits under the Policy the Executive shall and does agree that in the event of a breach of any of the covenants contained in Section 5(b) or 5(c) or Section 6 of this Agreement, in addition to any other remedy which may be available at law or in equity, the Company will be entitled to specific performance and injunctive relief without the requirement to post bond.

9. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable, or void, this Agreement shall continue in full force and effect without said provision or portion of provision.

10. No Oral Modification. This Agreement may only be amended in a writing signed by Executive and a duly authorized officer of the Company.

11. Governing Law; Dispute Resolution. This Agreement shall be subject to the provisions of clauses (c) and (d) of Exhibit C to the Policy.

12. Withholding and other Deductions. All compensation payable or provided to Executive hereunder shall be subject to such tax withholding and other deductions as the Company is from time to time required to make pursuant to law, governmental regulation or order.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument.

14. Revocation Period and Effective Date. Executive has seven days after Executive signs this Agreement to revoke it and this Agreement will become effective on the eighth day after Executive signed this Agreement, so long as it has been signed by the Parties and has not been revoked before that date (the "Effective Date"). Executive understands that any revocation of this Agreement must be made in writing and delivered to [•] by email at [•] on or before the 7th day following the date Executive signs this Agreement and that this Agreement may not be revoked after the seven day revocation period has passed.

15. Incentive Compensation Recoupment Policies. All payments and benefits provided to Executive pursuant to this Agreement shall be subject to the terms of the Company's Incentive Compensation Recoupment Policy and Dodd-Frank Incentive Compensation Recoupment Policy (and any amendment, restatement or modification of each such policy) as if such payments and benefits were "Incentive Compensation" thereunder.

16. Voluntary Execution of Agreement. Executive understands and agrees that Executive executed this Agreement voluntarily, without any duress or undue influence on the part or behalf of the Company or any third party, with the full intent of releasing all of Executive's claims against the Company and any of the other Releasees. Executive acknowledges that: (a) Executive has read this Agreement; (b) Executive has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement; (c) Executive has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of Executive's own choice or has elected not to retain legal counsel; (d) Executive understands the terms and consequences of this Agreement and of the releases it contains; and (e) Executive is fully aware of the legal and binding effect of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

Executive

Dated: __January 23, 2025 /s/ Shelley Bausch
Shelley Bausch

Axalta Coating Systems Ltd.

Dated: __January 24, 2025 By: /s/ Chris Villavarayan
Name: Chris Villavarayan
Title: Chief Executive Officer

Appendix A

Final Release

Pursuant to the Separation and Release Agreement (the “Agreement”) that the undersigned (“Executive”) signed with Axalta Coating Systems Ltd. (the “Company”), Executive agrees to the terms set forth in this Final Release (the “Final Release”) as a pre-condition to Executive’s entitlement to the payments and benefits set forth in Section 2 of the Agreement. Capitalized terms used but not defined in this Final Release shall have the meanings set forth in the Agreement.

1. Release of Claims. Executive agrees that, other than with respect to the Retained Claims, the consideration set forth in Section 2 of the Agreement represents settlement in full of all outstanding obligations owed to Executive by the Company and any of its Affiliates, and any of their current and former officers, directors, equity holders, managers, employees, agents, investors, attorneys, shareholders, members, administrators, affiliates, benefit plans, plan administrators, insurers, trustees, divisions, and subsidiaries and predecessor and successor corporations and assigns (collectively, the “Releasees”). Executive, on Executive’s own behalf and on behalf of any of Executive’s affiliated companies or entities and any of their respective heirs, family members, executors, agents, and assigns, other than with respect to the Retained Claims, hereby and forever releases the Releasees from, and agrees not to sue concerning, or in any manner to institute, prosecute, or pursue, any claim, complaint, charge, duty, obligation, or cause of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Executive may possess against any of the Releasees arising from any omissions, acts, facts, or damages that have occurred up until and including the Final Release Effective Date (as defined in Section 7 below), including, without limitation:

(a) any and all claims relating to or arising from Executive’s employment or service relationship with the Company or any of its direct or indirect subsidiaries or affiliates and the termination of that relationship;

(b) any and all claims relating to, or arising from, Executive’s right to purchase, or actual purchase of any common shares or other equity interests of the Company or any of its affiliates, including, without limitation, any claims for fraud, misrepresentation, breach of fiduciary duty, breach of duty under applicable state corporate law, and securities fraud under any state or federal law;

(c) any and all claims for wrongful discharge of employment; termination in violation of public policy; discrimination; harassment; retaliation; breach of contract, both express and implied; breach of the covenant of good faith and fair dealing, both express and implied; promissory estoppel; negligent or intentional infliction of emotional distress; fraud; negligent or intentional misrepresentation; negligent or intentional interference with contract or prospective economic advantage; unfair business practices; defamation; libel; slander; negligence; personal injury; assault; battery; invasion of privacy; false imprisonment; conversion; and disability benefits;

(d) any and all claims for violation of any federal, state, or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Equal Pay Act; the Fair Credit Reporting Act; the Age Discrimination in Employment Act of 1967; the Older Workers Benefit Protection Act; the Employee Retirement Income Security Act of 1974; the Worker Adjustment and Retraining Notification Act; the Family and Medical Leave Act; and the Sarbanes-Oxley Act of 2002;

(e) any and all claims for violation of the federal or any state constitution;

(f) any and all claims arising out of any other laws and regulations relating to employment or employment discrimination;

(g) any claim for any loss, cost, damage, or expense arising out of any dispute over the non-withholding or other tax treatment of any of the proceeds received by Executive as a result of this Final Release; and

(h) any and all claims for attorneys' fees and costs.

Executive agrees that the release set forth in this Section shall be and remain in effect in all respects as a complete general release as to the matters released. This release does not release claims that cannot be released as a matter of law, including, but not limited to, Executive's right to file a charge with or participate in a charge by the Equal Employment Opportunity Commission, or any other local, state, or federal administrative body or government agency that is authorized to enforce or administer laws related to employment, against the Company (with the understanding that Executive's release of claims herein bars Executive from recovering such monetary relief from the Company or any Releasee), claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law, claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA, claims to any benefit entitlements vested as the date of separation of Executive's employment, pursuant to written terms of any employee benefit plan of the Company or its affiliates and Executive's right under applicable law and any Retained Claims. This release further does not release claims for breach of Section 2(a) of the Policy.

2. Acknowledgment of Waiver of Claims under ADEA. Executive understands and acknowledges that Executive is waiving and releasing any rights Executive may have under the Age Discrimination in Employment Act of 1967 ("ADEA"), and that this waiver and release is knowing and voluntary. Executive understands and agrees that this waiver and release does not apply to any rights or claims that may arise under the ADEA after the Final Release Effective Date (as defined in Section 7 below). Executive understands and acknowledges that the consideration given for this waiver and release is in addition to anything of value to which Executive was already entitled. Executive further understands and acknowledges that Executive has been advised by this writing that: (a) Executive should consult with an attorney prior to executing this Final Release; (b) Executive has 21 days within which to consider this Final Release; (c) Executive has seven days following Executive's execution of this Final Release to revoke this Final Release pursuant to written notice to [•] in accordance with Section 7 of this

Final Release; (d) this Final Release shall not be effective until after the revocation period has expired; and (e) nothing in this Final Release prevents or precludes Executive from challenging or seeking a determination in good faith of the validity of this waiver under the ADEA, nor does it impose any condition precedent, penalties, or costs for doing so, unless specifically authorized by federal law. In the event Executive signs this Final Release and returns it to the Company in less than the 21 day period identified above, Executive hereby acknowledges that Executive has freely and voluntarily chosen to waive the time period allotted for considering this Final Release.

3. Severability. In the event that any provision or any portion of any provision hereof or any surviving agreement made a part hereof becomes or is declared by a court of competent jurisdiction or arbitrator to be illegal, unenforceable, or void, this Final Release shall continue in full force and effect without said provision or portion of provision.

4. No Oral Modification. This Final Release may only be amended in a writing signed by Executive and a duly authorized officer of the Company.

5. Governing Law; Dispute Resolution. This Final Release shall be subject to clauses (c) and (d) of Exhibit C to the Policy.

6. Counterparts. This Final Release may be executed in one or more counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument.

7. Revocation Period and Effective Date. Executive has seven days after Executive signs this Final Release to revoke it and this Final Release will become effective on the eighth day after Executive signed this Final Release, so long as it has been signed by the Parties and has not been revoked before that date (the "Final Release Effective Date"). Executive understands that any revocation of this Final Release must be made in writing and delivered to [•] by email at [•] on or before the 7th day following the date Executive signs this Final Release and that this Final Release may not be revoked after the seven day revocation period has passed.

8. Voluntary Execution of Agreement. Executive understands and agrees that Executive executed this Final Release voluntarily, without any duress or undue influence on the part or behalf of the Company or any third party, with the full intent of releasing all of Executive's claims against the Company and any of the other Releasees. Executive acknowledges that: (a) Executive has read this Final Release; (b) Executive has not relied upon any representations or statements made by the Company that are not specifically set forth in this Final Release; (c) Executive has been represented in the preparation, negotiation, and execution of this Final Release by legal counsel of Executive's own choice or has elected not to retain legal counsel; (d) Executive understands the terms and consequences of this Final Release and of the releases it contains; and (e) Executive is fully aware of the legal and binding effect of this Final Release.

[Signature Page Follows]

In consideration of the good and valuable consideration set forth above and in the Agreement, and intending to be legally bound, Executive affixes Executive's signature to express Executive's acceptance of the terms of this Final Release.

ACCEPTED AND AGREED BY THE UNDERSIGNED:

Executive

Dated: _____
Shelley Bausch

Date delivered to Executive: _____, 2025

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Chris Villavarayan, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Axalta Coating Systems Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2025

By: /s/ Chris Villavarayan
Name: Chris Villavarayan
Title: Chief Executive Officer and President

**Certification of CEO Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Chris Villavarayan, Chief Executive Officer and President of Axalta Coating Systems Ltd. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

- (1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

By: /s/ Chris Villavarayan
Name: Chris Villavarayan
Title: Chief Executive Officer and President

This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or otherwise subject to liability pursuant to that section. The certification shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification of CFO Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, Carl D. Anderson II, Senior Vice President and Chief Financial Officer of Axalta Coating Systems Ltd. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

- (1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2025

By: /s/ Carl D. Anderson II
Name: Carl D. Anderson II
Title: Senior Vice President and Chief Financial Officer

This certification accompanies this report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended or otherwise subject to liability pursuant to that section. The certification shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.