

Management Philosophy



The leading brand bringing colors & joy to everyday life through innovative coating solutions

* This "Mission" of our Group also represents the reason why we exist in society and will never change over time. The expression may vary with the times but the core is always same.



To be the industry leader driven by passionate people using our strong business foundations to create value & inspire all stakeholders

* This "Vision" shows the direction of the Group and is linked with the immediate targets as well as the state we would like to be in 2030 as specified in the management plan.



Mutual prosperity

To achieve long-term growth and mutual prosperity with all of our stakeholders through unmatched performance and constant improvement

A pioneering spirit

To sustain the pioneering spirit that led us to become a leader in the global paint industry and constantly pursue innovation and excellence

Perseverance

To achieve our mission with unwavering perseverance, dynamism and initiative

* This "Value" is always shared by all employees to realize the Mission and the Vision. They should keep it in mind when taking an action.

Established in January 2018

In addition to the above, we specify "Way," the action guidelines that should be followed by employees to realize the Mission and the Vision, which are published in our website. (<https://www.nipponpaint-holdings.com/company/vision/>)

Background of the establishment of the new management philosophy

We transitioned to a holding company system in 2014 and consolidated the joint ventures in Asia. While a major structural change was made, this transition also increased the percentage of non-Japanese employees, which now account for 85% of about 20,000 employees in total. In this situation, we redefined our management philosophy in a way that it serves as the compass showing a direction for the company. The dissemination of the philosophy is also significant for group governance and compliance. The state that the Group would like to be in 2030 and the state that the Group should become in 2020 are based on the management philosophy.

Editorial Policy

With this report, we aim to properly inform shareholders, investors, and other stakeholders of the management philosophy of the Nippon Paint Holdings Group, as well as its business strategy and initiatives to improve our corporate value, and show the way to become the leading company committed to continuously creating new values, which is the state that we would like to be in the future.

The period covered and scope of the report

This report covers the fiscal year ending December 31, 2017 (January 1 to December 31, 2017). However, some information from before and after the period is also included in the report as necessary. Unless specifically mentioned, the scope for compiling data is the same as the scope of consolidation.

Name : Nippon Paint Holdings Co., Ltd.

Head Office : 2-1-2 Oyodo Kita, Kita-ku, Osaka 531-8511 Japan

Tel: (+81) 6-6458-1111

Founded : March 14, 1881

Capital : 78,862 million yen

Number of Employees : 230 (Consolidated: 20,257)
(as of December 31, 2017)

Representative : Tetsushi Tado, President & CEO

Business contents : (Nippon Paint Holdings)

Establishment of group strategies and
management of group companies

(Operating companies)

Manufacturing and sales of paints and fine chemicals

CONTENTS

P03	Business Activities
P05	Value Creation Process
P07	Medium-term Management Plan "N-20"
P08	Business Plan and Expansion Measures for FY2018
P09	Top Message
P13	Financial Highlights for FY2017
P15	Initiatives to Support Our Corporate Values
	CSR Management
	History and Development of Eco-friendly Products
	For the Global Environment and Safety
	Promotion of Responsible Care Activities / Prevention of Global Warming /
	Waste Reduction and Zero Emissions /
	Comprehensive Management of Chemical Substances /
	Air and Water Conservation / Occupational Health and Safety
	Living with Society
	Maintenance and Improvement of Product Quality /
	Supply Chain Management / Employee Engagement /
	Contributions to Local Communities and International Society
	Corporate Governance