

Nippon Paint Holdings Co., Ltd.  
 Q&A Summary of the 199th Annual General Meeting of Shareholders  
 (March 27, 2024)

Q1	Please describe the current responses to environmental regulations and initiatives, specifically focusing on efforts towards decarbonization.
A1	We endorse the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and actively pursue decarbonization initiatives, not only in automotive coatings but across various sectors. We recognize that contributing to environmental sustainability is essential for Maximization of Shareholder Value (MSV). Despite the paint industry's relatively low direct greenhouse gas (GHG) emissions, we recognize our responsibility to manage GHG emissions throughout our supply chain. We are committed to taking appropriate measures to address this.

Q2	Could you describe how your strategies address environmental challenges, including your research and development efforts?
A2	<p>We believe that addressing environmental challenges and innovating to meet evolving customer needs will ultimately boost our revenue and profits. Anticipating growing demand for such solutions, we are actively expanding our R&amp;D capabilities.</p> <p>Our Group's overseas operations focus on the decorative paints business, necessitating that we cater to the specific needs of local customers in each region. We achieve this by adopting a "local production for local consumption" approach, utilizing our extensive know-how and expertise in each market. Conversely, in our automotive coatings business, where customer needs are largely uniform worldwide, we conduct cross-organizational R&amp;D activities under the leadership of our Chief Technology Officer (CTO). Technologies and products developed in response to regional customer needs are shared and leveraged across the Group.</p>

Q3	Could you describe your strategy for determining the composition of the Board, including the potential for appointing directors from the Japan segment?
A3	The role of our Board is to oversee our Group globally, which generates revenue of approximately 1,400 billion yen. As detailed in the skill matrix in the Notice of the General Meeting of Shareholders, our Board is comprised of directors with diverse nationalities, genders, and backgrounds.

	<p>On the contrary, the Presidents of our partner companies in the Japan segment, who were appointed from within our Group, have successfully fulfilled their commitments in their respective business areas. The composition of our current Board was established by the Nominating Committee, following thorough deliberations aimed at enhancing MSV.</p>
--	--

Q4	Could you outline your production strategy in Japan?
A4	<p>In Japan, house interiors are primarily decorated with wallpaper rather than paint. Considering the limited potential for population growth, we do not anticipate a dramatic increase in production volume. However, we are striving to increase the production volume of value-added products and those that meet customer needs, aiming to boost sales volumes across each business segment and thereby improve our market share.</p>

End