

Nippon Paint Group IR DAY 2024

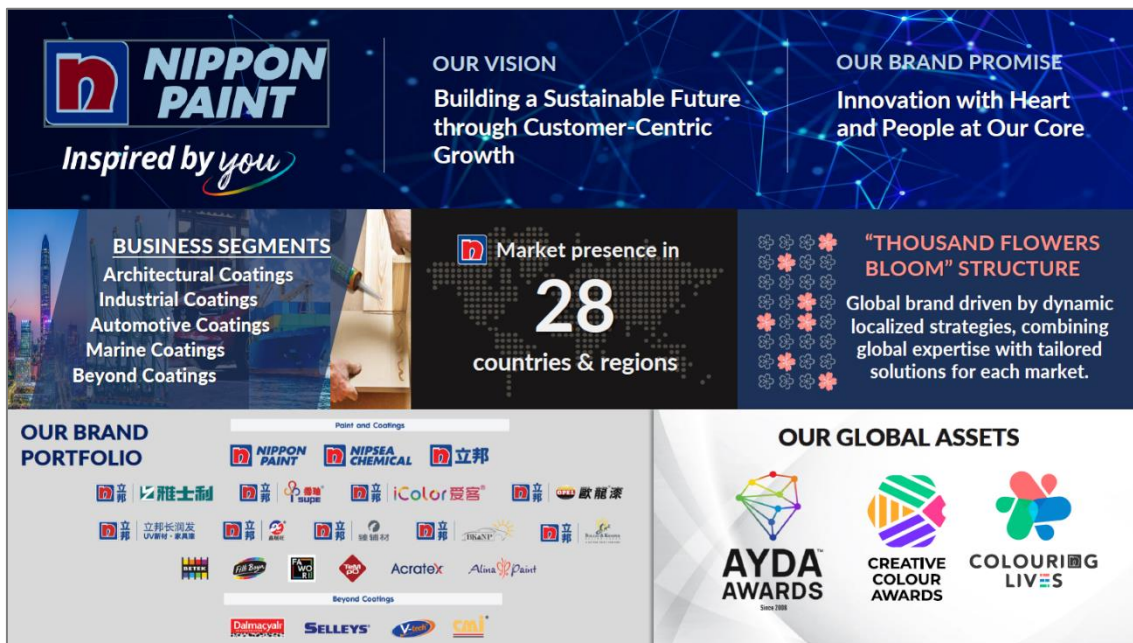
December 2, 2024

Brand Strategy by NIPSEA Group



A very good afternoon to those who are dialing in from Asia and greetings as well to all those dialing in from globally.

My name is Gladys Goh. I'm right now the Senior Vice President for Strategy, Innovation and Marketing. As Yuichiro Wakatsuki just introduced, I am double hatting for both this role, Brand Chief for the NIPSEA Group as well as the Chief of the Marine Coatings business of the Nippon Paint Group. But today I'm holding the role of Brand Chief.



Just to put some context to our diversity before I go to the later slides because I think all of you need to know the background of NIPSEA.

First of all, our tagline is "Inspired by You." Our vision is about building a sustainable future through customer centric growth, and this leads to our brand promise, "Innovation with Heart and People at our Core."

We are a very diverse business. We have multiple business segments across the group from Architectural coatings, or what we introduce as our Decorative segment to Industrial coatings, Automotive coatings, Marine coatings and also Beyond coatings. We are now operating in 28 countries and regions.

Because of our diversity in the business segments as well as our market presence, we have a very unique way of operating as a group. We believe in a 1,000 flowers bloom structure, which is really about developing a global brand driven by dynamic localized strategies combining global expertise with tailored solutions for each and every market. Later on in my slides, you will see me demonstrate how we operate in this 1,000 flowers bloom structure.

This is our brand portfolio across the group. You can see a very diverse range of brands and at the same time later on in my slide, I will share with you how we also

culminate to some global assets that we developed closely to engage stakeholders across these 28 countries and regions.



Our logo has evolved over the years, but it has always represented the same guiding philosophy; we always focus on innovations that put customers at our core in the geographies that we operate.

This is why the red 'n' in the center of our symbol represents the attention we give to our diverse customers, while the BLUE represents the world of opportunity.

Our Brand Promise: Innovation with Heart and People at Our Core



Superior and Diverse Product Solutions

We lead the industry with innovative and comprehensive solutions that go beyond coatings.



Deep Brand Engagement with Customers

We build strong connections by leveraging an omni-channel presence, ensuring seamless engagement across physical and digital touchpoints.



Comprehensive Multi-Channel Reach

We ensure our products and services are easily accessible through a robust omni-channel distribution network.

So first, before I jump into the brand philosophy, I think it's very important for us to understand our logo as well. You probably see this NIPSEA logo or the Nippon Paint logo across many countries where NIPSEA geographies are.

Our logo may have evolved over the years, but it has always represented the same guiding philosophy. We always focus on innovation that put customers at our core in any geography that we operate in line with our brand promise. This is why the red "n" in the center of the symbol represents the attention we give to our diverse customers while the blue represents the world of opportunities that poses for us as well.

Now, just a quick reminder again, our brand promise is really about "Innovation with Heart and People at Our Core." I would like to share with you how we deliver our brand promise in three buckets.

The first bucket is really superior and diverse product solutions that we developed for our customers. We lead the industry with innovative and comprehensive solutions that go beyond coatings.

Secondly, we believe in building very deep brand engagement with our customers. We build strong connection by leveraging an omnichannel present, ensuring seamless engagement across physical and digital touchpoint, which you will see a lot more

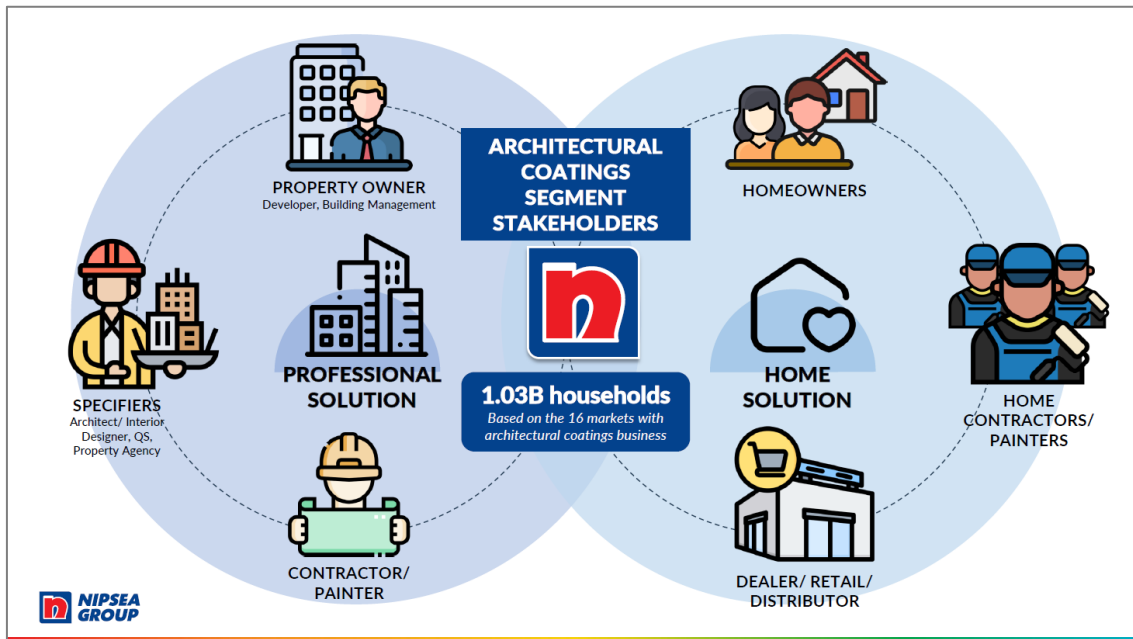
examples later on.

And thirdly, we need to fulfill our point at multichannel reach. So, we have a very comprehensive multichannel reach. We ensure our products and services are easily accessible through a robust omnichannel distribution network.



As I mentioned earlier, the NIPSEA Group provides total coatings solutions for all surfaces.

But in today's slide particularly we'll focus on architectural coatings segment, which we also formally call it as our Decorative segment for the coming slide scenes as Yuichiro Wakatsuki presented earlier, it represents 63 percent of our business.



Before we go into the brand strategy, it's very critical for everyone to also understand who our stakeholders are.

When we talk about the 16 markets where our architectural or decorative paints business are present right now within the NIPSEA Group, we have more than one billion households to tackle. We have the professional solutions and we have the home solutions, and both segments actually have very diverse stakeholders.

But let me simplify this for home solutions, not only we are talking to homeowners, but because this is not really a DIY market. As we know, NIPSEA market is very diverse in Asia, and therefore most of the homeowners do not do DIY but most of the projects are hired or outsourced to home contractors or painters. So, painters and home contractors have strong influence on which brand they will purchase and apply on the homes of the homeowners. Also, they will buy paint from dealers, retailers or distributors. In this manner, we have multiple stakeholders for home solutions.

Similarly, for professional solutions, we also have professional stakeholders and our stakeholders are the property owners, the developers or the building management and the specifiers. These are the people who specify the paint brand that will be used on the projects. They can come from, whether it's architects, interior designers, quantity surveyors, or even property agencies as well. And finally, the people that grew up

applying paint for this project are the contractors or painters.



Superior and Diverse Product Solutions

Our offerings include high-performance paints for both home owners & professional customers, as well as strategic expansions into adjacent segments such as Sealants, Adhesives, and Fillers (SAF), construction materials, and painting tools. By addressing diverse customer needs with cutting-edge, end-to-end solutions, we ensure our products uphold the highest standards of quality and innovation.

Most durable exterior paint (Malaysia & Indonesia)



WEATHERBOND® SERIES
FROM STRONGER KIDS

STRENGTH PROTECTION • DURABLE RESISTANCE • HARDEST DEFENCE

Plant Essence Paint with Bio-Mass technology



NIPPON PAINT
Odour-less
Eco Guard
Eco Kids

Eco Essence
Allergy Friendly
Anti-viral Kids' Interior Emulsion Paint (China)

New Odour-less ULTRA Paint series (Singapore)



NIPPON PAINT
GIVE YOUR HOME AN ULTRA BOOST

NUCLEUS Exterior Paint, Türkiye's First & Only in 3D Protection



NUCLEUS
EXTERIOR PAINT
READY FOR ROOF & WALLS IN HUMID CLIMATE CONDITIONS
FAST AND ONLY IN TURKEY

Painting Tools Accessories



NIPPON PAINT
PAINTING ACCESSORIES

TOTAL COATING & CONSTRUCTION SOLUTIONS
Total Coating System for Every Quality and Best Performance from Base to Finish.



THE 1st IN THE REGION
ANTI-EFFLORESCENCE SYSTEM

SELLEYS
CONSTRUCTION MATERIALS

Let me go through the first bucket.

How do we engage these stakeholders with superior and diverse product solutions?

Our offerings include high performance paints for both homeowners and professional customers as well as strategic expansion into adjacent segments such as SAF (Sealants, Adhesives and Fillers), construction materials and also painting tools.

By addressing diverse customer needs with cutting-edge and end-to-end solutions, we ensure our products uphold the highest standard of quality and innovation. So, firstly if you look at our paint products, whether be it for homeowners or professional customers, we look at innovating very strong functional products that deliver superior quality and addressing their home needs. So, whether it's from exterior paint to bio-mass technologies to eco essence, allergy-friendly "kids" paint or odorless paint or even very superior exterior paint from Türkiye, we continue to deliver utmost good quality functions for the homeowners.

At the same time beyond that, with the same set of customers that we have invested in the channels, we like for them to buy painting tools, including the painters and the contractors, so that they can also use very good painting tools to complete their painting projects with our high quality paint.

At the same time for the professional customers, beyond just paint, we are now offering total coatings and construction solutions. This is critical because we are already engaged with the same set of customers and not just focusing on providing the paint alone. We are now able to supply and extend to beyond coatings as well. This allows us to increase the basket size with the same set of customers.



Moving on to next, I will like to talk about how we build deep brand engagement with customers.

Beyond delivering exceptional products, we elevate the brand experience by engaging customer across diverse touch point to build strong brand awareness. Through value-added services like personalized paint and color advisory, digital color schemes and immersive expos, we want to create meaningful interaction that enrich the customer journey, empowering them to transform their dream spaces into reality, and at the same time building brand loyalty with our brand.

So let me go through some of the strategies that we use to build this deep brand engagement.

We actually have a very iconic mascot, which actually you can see in a lot of our advertising materials and also promotion materials across Asia that we use to communicate our brand function and also build brand love with our consumers. We also use a lot of influencer marketing, be it from sports to celebrities from shows as well to give brand endorsement and also building brand engagement with our consumers.

Besides what we call our mascot influencing marketing, we also build on experiential ground road shows and retail experience. We do not just rely on brand stores.

Sometimes we have trucks. These are our on-ground trucks that we go from cities to cities, towns to towns and we explain our paint products, be it from our dealer shops or in certain events that we have mass participation.

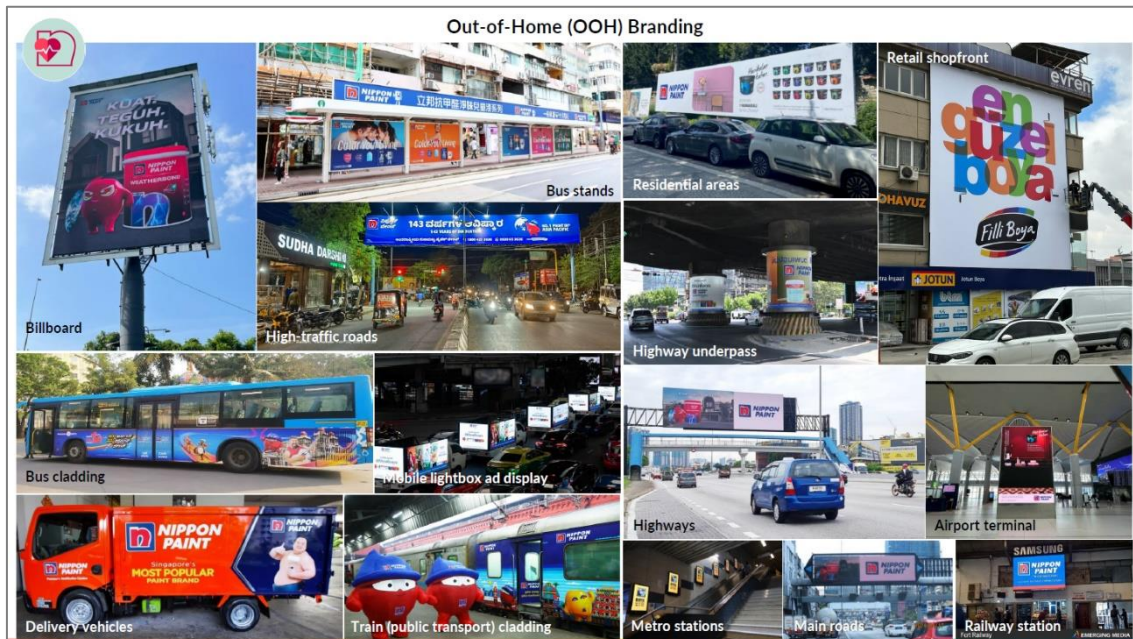
We have strong, what we call, brand advisers who provides advice at the point of retail shop like this. It's an example of a retail shop where they explain about our coatings and our colors to potential customers, and we'll make sure that we also have strong branding in shops that are not just loyal to Nippon Paint but have multi-brands as well, so that our brand has Top of Mind whenever anyone step into the store.

We also invest in immersive expos and educational trade shows. Magic Wonderland is a big trade show for top designers where all the designers in China will come and look for ideas for their design projects. This is where we even build a magical wonderland to showcase how our Magic Paint or texture coatings can bring their design alive in a 3D manner.

We have this EXPO where we engage our trade customers to allow them to see beyond paint; what construction and coating materials that we can offer, beyond just selling them functional paint, as well as our EXPO in Nippon Paint Malaysia, where we actually have a physical exhibition area that has been ongoing for many years, and we showcase how paint can bring surfaces alive through our paint products as well as colors on multiple surfaces.

Finally, we also invest a lot in color inspiration, advisory and digital color scheme. I think Patrick Houlihan earlier had also showed an example on DuluxGroup's paint and color advisors . Similarly, for us, color is very inspirational. For paint and colors, it goes hand in hand because colors will inspire people to want to paint more and try new colors.

Nippon Paint is able to give them inspiration via our Trend Beyond Color collection, which is our color collection to showcase the latest color schemes, where we showed how one can use colors making it come alive in different setups. We even have celebrities endorse these colors and usually their favorite color will soon also become the top favorite color in the country.



I also want to express how our brands are so diverse in different parts of the world and how we use outdoor branding very strongly in all the markets that we are in as well.

This is just an example on how our diverse range of brands come alive in different cities in NIPSEA countries. You can see whether it is billboards, bus cladding, whether it is delivery vehicles, highway underpasses, even the outside of retail shops, even airport terminals, railway stations, main roads, metro stations and even bringing our mascot to public transport hubs as well.

Having touch points in environment where you are not in your homes or where homeowners do not expect will lead to stronger brand engagement. This approach ensures that homeowners think about a brand even when they are not painting their houses or at home, as they have already interacted with us through a variety of touchpoint that we have.

Again, another example of how color schemes help ensure that specifiers choose our paint brand where we recommended and advised both the paint colors as well as the products, resulting in actual project wins.



Comprehensive Multi-Channel Reach

Combined with user-friendly e-commerce platforms and professional painting services, we cater to diverse customer needs with convenience and accuracy. This seamless accessibility reinforces our position as the trusted choice for quality and innovation. From retail stores to e-commerce platforms, mobile apps, and social media, we meet customers wherever they are.

CCM Tinting Machines @ Retail Stores



With a group network of more than 48,000 retail outlets equipped with advanced Colour Creation Machines (CCM), we deliver precise and efficient paint color matching for all types of architectural coatings.

Well branded Retail Stores



E-Commerce



Professional Painting Services



Now, moving on to the third bucket, how we ensure that we have a comprehensive multichannel reach. It is not just the retail outlet anymore. It is actually combined with user friendly e-commerce platforms and also the professional painting services.

This is where we cater to diverse customer needs with convenience and accuracy, and the seamless accessibility reinforce our position as the trusted choice for quality products and innovation. So, be it from retail stores to e-commerce platform, mobile apps or social media, we meet customers wherever they are.

This is our retail outlet where we focus on ensuring that at the final step of the customer's purchase journey, our merchandising is prominently displayed as customers get ready to buy our paint..

All product awareness and educational materials are readily available. While today may not be the day they decide to paint, our sideboards serve as a reminder, ensuring that customers will think of our paint stores when they are ready to make a purchase in the next month or two.

A very important strategy that we have is our color creation machine, also known as tinting machines which we ensure that every retail stores will have, as we try to put in the tinting machine. It is a very important thing because with a network of more than

48,000 retail outlets equipped with this color creation machines, we are able to deliver precise, accurate and consistent paint colors for all different types of architectural coatings, be it for exterior, interior, wood and metal. So, any surfaces that you can imagine, you can give them accurate colors with minimum inventory because we only dispense the colors at the point of the customer purchase.

We have also embarked into e-commerce. So, paints are now available in e-commerce in multiple countries and also on social media platforms as well.

And, one very important point, as I mentioned, we are not really a DIY market so we need to rely on professional painters sometimes to complete or deliver or apply our paint in the proper manner ensuring that customers can have the full intended result with both the paint and the colors on their walls.

It is very critical that we are also investing in professional painting services so homeowners who are unsure of whom to hire for painting their homes can easily access Nippon Paint Professional Painting Services, which is currently available in some of our key markets.

Now, this sort of wraps up the first section which talks about the diversity of how we execute different approaches in the three buckets.

**Our Global Assets:
Driving Brand Love & Engagement Across
NIPSEA Group Stakeholders**



INTERNATIONAL
DESIGN AWARDS FOR
STUDENTS



GLOBAL COLOUR COMPETITION
FOR DESIGN PROFESSIONALS



GROUP CSR
FRAMEWORK



Now, I will like to shift focus to some global assets that we have developed for the NIPSEA Group, aimed at fostering strong brand love and engagement across all stakeholders which helps position us as a global paint brand, rather than just a localized decorative paint brand.

I will elaborate on these three platforms which we have built, AYDA Awards, Creative Color Awards, as well as Coloring Lives.



Let me first take you through AYDA.

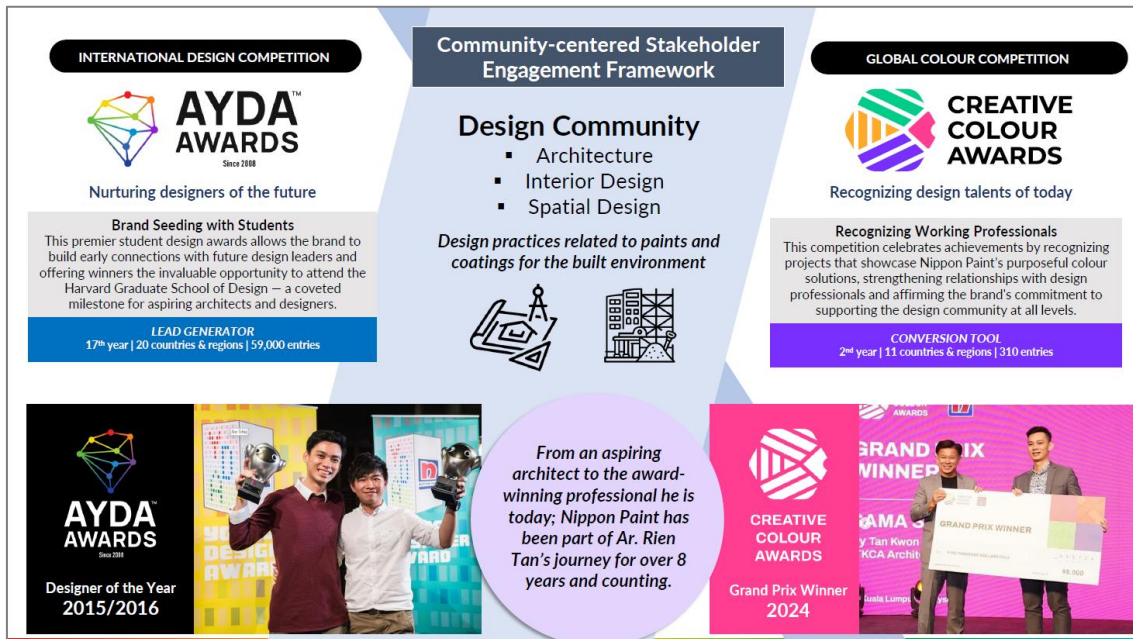
AYDA is actually a program that we have built for 17 years, with the legacy and purpose of nurturing architects and designers globally. So far it has impacted 20 countries and engaged over 1,200 educational institutions and are for design students, for architectural students as well as interior design students.

We have received more than 59,000 entries since inception. It is in effect a competition but this international award is beyond just winning a competition. The winners of the AYDA Awards will earn a trip to Harvard GSD Graduate School of Design, where they will attend the prestigious three-week design discovery program to further develop their skills.

And lastly, through our collaboration with Harvard GSD, we also continue to support young design talents, especially from Asian countries, via the Gennosuke Obata Fellowship Fund. This initiative provides opportunities to assist with their educational needs at Harvard GSD.

So, this is just a picture of how we have executed and engaged with students across these 20 countries that have participated in this competition. In addition to working with students, we have also collaborated with 39 partners and associations from 9

countries. These include associations from the architectural and interior design field, as well as higher education institutions, whose support is crucial to our efforts.



Let me explain from AYDA to Creative Color Awards because it is actually an ecosystem and framework that we have built to ensure that not only we do brand seeding but we continue to convert potentials into our customers.

So, AYDA, as I mentioned, is an international design competition which is about nurturing designers for the future. It is really about brand seeding. Before the students come out from school and become our professional customers, we will already like to see our brand inside. And therefore, we have become our own lead generator with 17 years, 20 countries with 59,000 entries.

After 17 years of engagement and even prior to that, we have been involving professionals in our global color competition, the Creative Color Awards. This initiative focuses on recognizing the professional design talent of today. Moving from brand seeding, we are now shifting towards acknowledging working professionals. We want to award them for the best creative use of color, with several categories encouraging them to submit projects that incorporates Nippon Paint products and colors.

This is actually a conversion tool. In its second year, the competition has expanded to 11 countries and region, with 310 entries received. To illustrate with a real example - Architect Rien Tan who was an AYDA award winner in 2015 and 2016, is now a customer and, after 8 years, has won the Creative Color Award this year.












Let's move on next to the NIPSEA Group CSR framework.

This is also a very important strategy for the group. It is about an inclusive business approach, and creating a tangible social impact in communities where we operate.

It aligns with the five UN SDGs and three main pillars. First, we focus on education, aiming to provide access to learning for children and youth through collaborative learning platforms and art and color education programs. Next, we emphasize empowerment, equipping members of the communities with skills and knowledge through vocational training and certification programs. Lastly, our engagement pillar covers aspect of health and well-being, as well as protection and preservation.

Here is a quick overview of our community impact from last year number where we launched 86 initiatives, reaching 14 million lives. We donated nearly 400,000 liters of paint, invested approximately 4.8 million USD and engaged 3,100 employees who contributed a total of 171,000 hours.

 <p>Hope Foundation (NP Vietnam)</p> <ul style="list-style-type: none"> ▪ Garnered a 1.3 billion VND (~50,000 USD) contract with Hope Foundation to renovate 35 schools  	 <p>Packaging Panther (Group AR)</p> <ul style="list-style-type: none"> ▪ Provide life skills and employment opportunities to neurodiverse individuals ▪ 12 neurodiverse individuals are employed by Group AR to help with packaging ▪ Zero customer complaints ▪ Strengthens D&I Imagery  <p>N'Shakti Women Painters Training (NP India)</p> <ul style="list-style-type: none"> ▪ Certified 1,000 women painters ▪ 20 are now contractors who are strong Nippon Paint supporters ▪ Consistent revenue generated 	 <p>Fishermen Communities (NP Indonesia)</p> <ul style="list-style-type: none"> ▪ Started with donating paints for 4 fishing boats valued at IDR 8M (~USD 500) as a product trial. ▪ Since then, we've garnered over USD 160k in sales within 8 months and painted 571 boats. <p>Market Opportunities</p> <p>Indonesia facts:</p> <ul style="list-style-type: none"> ▪ 2nd world's largest fish producer ▪ 17,508 islands ▪ 54,716 km of coastline ▪ Over 625k fishing boats  
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I won't go through but this is just an example from education.

One of the examples from India focuses on empowerment where we talk about training woman painters helping to empower them. Additionally, we engage with local communities, specifically in this case, the fishermen communities in Indonesia.



Just one slide on this one which I want to showcase Nippon Paint Indonesia, Gapura Merah Putih Initiative, which is a statewide initiative.

This is how we engage local communities beyond just selling our brand. This is an inclusive initiative since 2016, with almost 83,000 community arches painted today with more than 1,000 of our customers and dealers actively participating. We have almost 840,000 liters of paint applied and will like to show a quick video if we can.

I think that's enough to give you a feel of our Gapura initiative.

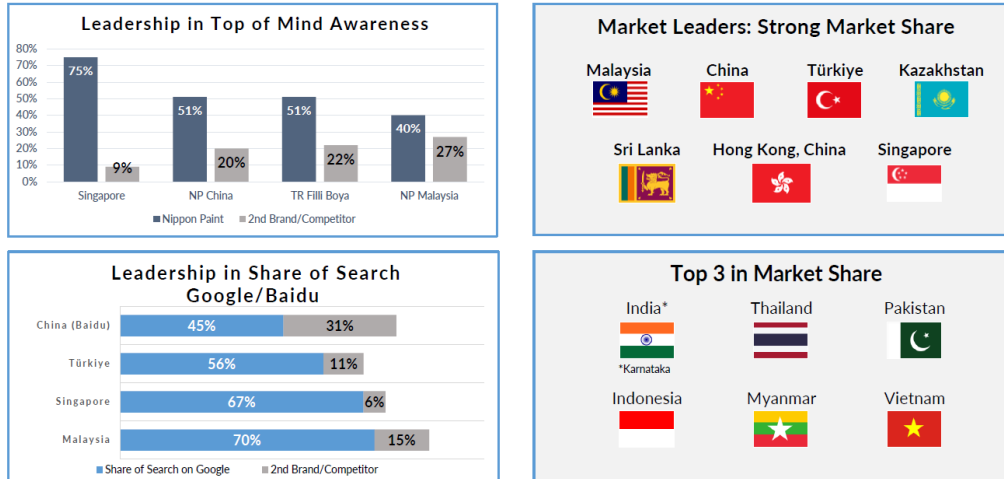


A brand is much more than just advertising: it is about building enduring emotional connection with stakeholders; really about fostering trust and loyalty that goes far beyond campaign investments.

True brand value lies in creating meaningful experiences that resonate deeply, and showing relevance and impact across every touchpoint.

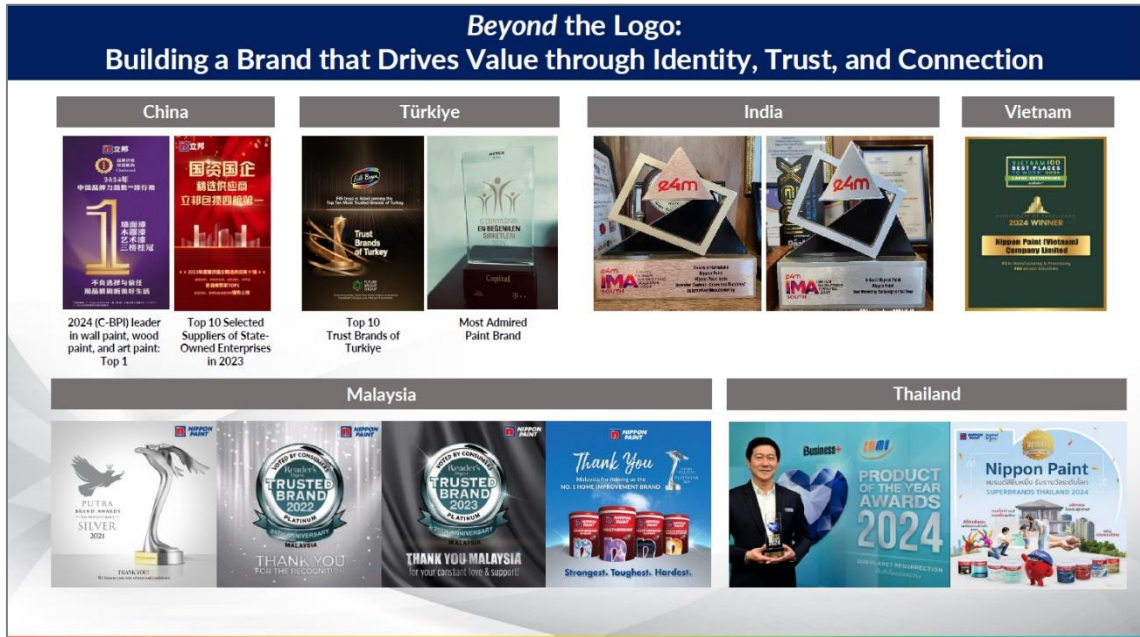
The Market Impact of a Strong Brand

Nippon Paint outperforms competitors in awareness scores across key markets. Additionally, Google/Baidu search volumes highlight its superior online visibility in the paint industry, further reinforcing these awareness scores.



To share our market impact, just to pick some very key markets like Singapore, China, Türkiye and Malaysia, we have got leadership in Top of Mind brand awareness, which translates to the first brand you think of when it comes to paint, and we are very strong compared to competitors or even the second ranked brand. Same with searches where you can see Nippon Paint search is ranked the highest.

We are a strong market leader in in Malaysia, China, Türkiye, Kazakhstan, Sri Lanka, Hong Kong, China and Singapore and top three in these 6 other markets.



We have built numerous trusted brands across various countries.

I won't elaborate on this but I will like to conclude with the last slide: beyond the brand, it is the people who build the brand.



Here is where I show a picture of us bringing together our global marketing community.

Over here we have 326 participants joining both virtually and physically coming together once a year from 25 countries to showcase their best marketing efforts in our Marketing Excellence Program. Through this, we effectively bring our 1,000 flowers bloom concept to life for Nippon Paint globally.

With this I end my presentation. Thank you.