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(Stock Exchange Code 4612)

March 8, 2019

**To Shareholders with Voting Rights:**

Tetsushi Tado  
President & CEO, Representative  
Director of the Board  
Nippon Paint Holdings Co., Ltd.  
2-1-2 Oyodokita, Kita-ku, Osaka, Japan

**NOTICE OF  
THE 194TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 194th Annual General Meeting of Shareholders of Nippon Paint Holdings Co., Ltd. (the "Company"). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights in writing or via electronic method (the Internet, etc.). Please review the attached "Reference Documents for the General Meeting of Shareholders" and submit the attached Voting Rights Exercise Form so that the Documents are received by 5 p.m. on Tuesday, March 26, 2019, Japan time.

- 1. Date and Time:** Wednesday, March 27, 2019, at 10 a.m. Japan time
- 2. Place:** HINOKI, 2F, InterContinental Osaka, North Building C,  
GRAND FRONT OSAKA, 3-60 Ofuka-cho, Kita-ku, Osaka, Japan
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 193rd Fiscal Year (January 1, 2018 – December 31, 2018)
    2. The Results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements for the Company's 193rd Fiscal Year (January 1, 2018 – December 31, 2018)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Partial Amendments to the Articles of Incorporation
    - Proposal 3:** Election of 11 Directors of the Board
    - Proposal 4:** Revision of Compensation, etc., Amounts for Directors of the Board
    - Proposal 5:** Revision of Compensation, etc., Amounts for Audit & Supervisory Board Members
    - Proposal 6:** Determination of Compensation for Granting Restricted Stock to the Company's Directors of the Board

**<Notes to Exercise of Your Voting Rights>**

**If attending the meeting**

Please bring the attached Voting Rights Exercise Form and submit it to the reception desk at the venue.

**If not attending the meeting**

**Exercising your rights in writing**

Please complete the attached Voting Rights Exercise Form with your vote and submit such that it is received by 5 p.m. on Tuesday, March 26, 2019.

**Exercising your voting rights via the Internet**

Please access the voting rights website (<https://evote.tr.mufg.jp/>) and register your vote for or against the proposals by 5 p.m. on Tuesday, March 26, 2019.

In accordance with legal requirements and Article 16 of the Company's Articles of Incorporation, the "Notes to the Consolidated Financial Statements" and "Notes to Non-consolidated Financial Statements" are displayed on the company's website, and are not included with this notice. The Consolidated Financial Statements and Non-consolidated Financial Statements attached to this document are portions of those documents audited by the Accounting Auditor and the Audit & Supervisory Board.

Company Website      <https://www.nipponpaint-holdings.com/>

- © Should the Reference Documents for the General Meeting of Shareholders, the Business Report, Consolidated Financial Statements, or the Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.nipponpaint-holdings.com/>).



**Proposal 2:** Partial Amendments to the Articles of Incorporation

1. Reasons for Amendments

In the new medium-term management plan “N-20” announced in May of last year, the Group advocated “establishing an overwhelming position in Asia to accelerate global growth” and set its sights on becoming a leading company that continues to create new value. Pursuing this future, the Company considers it essential to seek out outstanding business managers, etc., from around the world who can pursue maximization of shareholder value of the Group regardless of nationality, sex, age, or industry/business category experience, and invite them to be Directors of the Board in order to further strengthen the management structure and corporate governance of the Company. For this purpose, the number of Directors of the Board stipulated in Article 20 of the Articles of Incorporation shall be amended from “up to ten (10)” to “up to eleven (11).”

2. Details of Amendments

Details of amendments are as follows.

(Amended parts are underlined.)

<b>Current Articles of Incorporation</b>	<b>Proposed Amendments</b>
(Number of Directors) Article 20 - The Company shall have up to <u>ten (10)</u> Directors.	(Number of Directors) Article 20 - The Company shall have up to <u>eleven (11)</u> Directors.

**Proposal 3:** Election of 11 Directors of the Board

The terms of office of all 10 Directors of the Board will expire at the conclusion of this General Meeting of Shareholders. Accordingly, subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation” as proposed, the increase of 1 Director of the Board to further strengthen management structure and corporate governance and the election of following 11 Directors of the Board (including 5 Outside Directors of the Board) are proposed.

No.	Name		Positions and significant concurrent positions
1	Masaaki Tanaka	New Appointment	External Director, Money Forward, Inc.
2	Tetsushi Tado	Re-Appointment	President & CEO, Representative Director of the Board Director, Nipsea Management Company Pte. Ltd. Chairman, Japan Paint Manufacturers Association
3	Manabu Minami	Re-Appointment	Vice President, Director of the Board Division Director of General Administration, in charge of Global Purchasing & Procurement, Financial Strategy Director, Nipsea Management Company Pte. Ltd.
4	Seiichiro Shirahata	Re-Appointment	Vice President, Director of the Board in charge of Technical President, Representative Director of the Board, Nippon Paint Marine Coatings Co., Ltd.
5	Atsushi Nagasaka	Re-Appointment	Vice President, Director of the Board Division Director of Human Resources & Corporate Administration, in charge of Diversity & Inclusion, International, Human Resource Strategy Director, Nipsea Management Company Pte. Ltd.
6	Hup Jin Goh	Re-Appointment	Chairman of the Board Director, Nipsea Holdings International Ltd. Managing Director, Wuthelam Holdings, Ltd. Managing Director, Nipsea Pte. Ltd Director, Nipsea Management Company Pte. Ltd. Director, Nipsea International Limited
7	Hisashi Hara	Outside Re-Appointment Independent	Outside Director of the Board Attorney Outside Audit & Supervisory Board Member, Chugai Pharmaceutical Co., Ltd.
8	Takashi Tsutsui	Outside Re-Appointment Independent	Outside Director of the Board Representative, Ryuju Consulting
9	Toshio Morohoshi	Outside Re-Appointment Independent	Outside Director of the Board Outside Director, WingArc1st Inc.
10	Yasunori Kaneko	Outside Re-Appointment Independent	Outside Director of the Board Lead Independent Director, Arcus Biosciences, Inc. Managing Director, Kaneko Investments LLC
11	Masayoshi Nakamura	Outside Re-Appointment Independent	Outside Director of the Board Representative Director, OCTAHEDRON Inc.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of stocks of the Company held	
1	Masaaki Tanaka (April 1, 1953) New Appointment	April	1977	Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)	0
		May	2007	Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)	
				President & CEO, Union Bank of California, N.A. (currently MUFG Union Bank, N.A.)	
		June	2010	Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.	
		May	2011	Director, Morgan Stanley (concurrently served)	
		June	2012	Director and Deputy President, Mitsubishi UFJ Financial Group, Inc.	
		September	2016	International Senior Global Advisor, PwC	
		February	2017	Advisor, Financial Services Agency (current)	
		June	2017	Board Director, QUOINE Pte. Ltd. (current)	
		February	2018	External Director, Money Forward, Inc. (current)	
		July	2018	Advisor, the Company (current)	
		September	2018	President and Chief Executive Officer, Japan Investment Corporation (JIC)	
		[Significant concurrent positions]			
		External Director, Money Forward, Inc.			
[Reason for selection as a candidate for Director of the Board] Masaaki Tanaka has been engaged in the management of Mitsubishi UFJ Financial Group, Inc. for many years. He has also served as President and Director and in other positions at a U.S. financial institution, and has abundant international experience as a business manager. The Group announced the new Medium-term Management Plan “N-20” in May 2018, in which it claims to “establish overwhelming position in Asia to accelerate global growth.” Pursuing this future, the Company deems such experience in the financial industry and international experience as a business manager to be beneficial for the Group to pursue “Maximization of Shareholder Value,” and nominates him as a new candidate for Director of the Board.					

Note:

There are no special interests between the Company and Masaaki Tanaka.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of stocks of the Company held
	Tetsushi Tado (July 19, 1952) Re-Appointment	April 1983	Joined Nippon Bee Chemical Co., Ltd. (currently Nippon Paint Automotive Coatings Co., Ltd.)	13,056
		June 2009	President, Representative Director of the Board, Nippon Bee Chemical Co., Ltd.	
		June 2013	Senior Executive Officer, Director of the Board, the Company	
		April 2015	President & CEO, Representative Director of the Board (current)	
			[Significant concurrent positions] Director, Nipsea Management Company Pte. Ltd. Chairman, Japan Paint Manufacturers Association	
2	[Reason for selection as a candidate for Director of the Board] Tetsushi Tado started his career in business in the field of sales at the Group subsidiary Nippon Bee Chemical Co., Ltd. (currently Nippon Paint Automotive Coatings Co., Ltd.), a company that fabricates and sells paints used on automotive plastic parts. He was appointed as the President and Representative Director of the Board of Nippon Bee Chemical in 2009, and accelerated the development of its overseas operations. In April 2015, he was appointed as the President & CEO, Representative Director of the Board of the Company, and under the Medium-term Management Plan which commenced at the same time, he developed overseas strategies by turning a U.S. manufacturer of paint for construction into a wholly owned subsidiary, expanding a joint venture for automotive paint in India and carrying out other projects. The Company announced the new Medium-term Management Plan “N-20” in May 2018, which is established under his leadership. The Company believes that his experience is essential for the Group to implement “N-20” and achieve the goal, and nominates him again as a candidate for Director of the Board.			

Notes:

1. There are no special interests between the Company and Tetsushi Tado.
2. Tetsushi Tado attended all 18 meetings of the Board of Directors held during the fiscal year under review.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of stocks of the Company held
	Manabu Minami (August 11, 1958) Re-Appointment	April 1982    Joined the Company April 2012    Executive Officer April 2013    Senior Executive Officer June 2013    Senior Executive Officer, Director of the Board January 2017   Vice President, Director of the Board (current) [Responsibilities and significant concurrent positions] Division Director of General Administration, in charge of Global Purchasing & Procurement, Financial Strategy Director, Nipsea Management Company Pte. Ltd.	14,498
3	[Reason for selection as a candidate for Director of the Board] Manabu Minami has been engaged in the fields of finance and accounting since joining the Company, and in June 2013 he was appointed as Director of the Board, where he has continued to drive the Group's financial and accounting activities. He also served adequately as the Chief Financial Officer overseeing the creation of the Group's financial strategy for the 2014 acquisitions of joint venture companies in Asia. In recent years, his responsibilities have included managing the IT, corporate administration, purchasing and procurement and technical departments, helping to enhance Group management efficiency from a comprehensive perspective. In January 2017, he was appointed as Vice President, Representative Director of the Board, and has played a core role in the Group's management. The Company deems his experience and knowledge cultivated in the fields of finance and accounting to be essential for the Group, which will adopt International Financial Reporting Standards (IFRS) from annual securities report for the fiscal year ended December 31, 2018 that will be disclosed in March this year, to efficiently prepare for and operate IFRS, and nominates him again as a candidate for Director of the Board.		

Notes:

1. There are no special interests between the Company and Manabu Minami.
2. Manabu Minami attended all 18 meetings of the Board of Directors held during the fiscal year under review.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of stocks of the Company held
4	Seiichiro Shirahata (March 3, 1961) Re-Appointment	<p>April 1983 Joined the Company</p> <p>April 2009 Division Director, Surface Treatment</p> <p>April 2013 Executive Officer</p> <p>April 2015 Senior Executive Officer President, Representative Director of the Board, Nippon Paint Surf Chemicals Co., Ltd.</p> <p>January 2018 Vice President, the Company President, Representative Director of the Board, Nippon Paint Marine Coatings Co., Ltd. (current)</p> <p>March 2018 Vice President, Director of the Board, the Company (current)</p> <p>[Responsibilities and significant concurrent positions] in charge of Technical President, Representative Director of the Board, Nippon Paint Marine Coatings Co., Ltd.</p>	10,386
<p>[Reason for selection as a candidate for Director of the Board]</p> <p>Seiichiro Shirahata has been engaged in the technical field of the surface treatment business since joining the Company. He was assigned to a U.S. subsidiary as an engineer from 1990 to 1996, and was appointed as Division Director of Surface Treatment Business in 2009. In 2013, he was appointed as Executive Officer, and headed the domestic business organizational restructuring project, which was completed in April 2015, as the officer in charge. In April 2015, he was appointed as President and Representative Director of the Board of Nippon Paint Surf Chemicals Co., Ltd., and in January 2018, took office as President and Representative Director of the Board of Nippon Paint Marine Coatings Co., Ltd., contributing to the growth and enhancement of the surface treatment and marine coating businesses. In addition, he was appointed as Director of the Board of the Company in March 2018, and has played a core role in the Group's management in charge of Technical. The Company deems such experience as an engineer and a business manager to be essential for the Group, and nominates him again as a candidate for Director of the Board.</p>			

Note:

1. Seiichiro Shirahata concurrently serves as President and Representative Director of the Board of Nippon Paint Marine Coatings Co., Ltd., with which the Company has business relations in areas including lease of property and contract of services.
2. Seiichiro Shirahata was elected as and assumed the position of Director of the Board at the 193rd Annual General Meeting of Shareholders held on March 28, 2018. He attended all 13 meetings of the Board of Directors held on and after that date during the fiscal year under review.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of stocks of the Company held
5	Atsushi Nagasaka (March 18, 1961) Re- Appointment	<p>April 1984    Joined the Company</p> <p>April 2013    Executive Officer</p> <p>April 2015    Senior Executive Officer</p> <p>April 2016    Managing Director, Bollig &amp; Kemper GmbH &amp; Co. Kg</p> <p>March 2017    Senior Executive Officer, Director of the Board, the Company</p> <p>January 2019    Vice President, Director of the Board (current) [Responsibilities and significant concurrent positions] Division Director of Corporate Human Resources &amp; Corporate Administration, in charge of Diversity &amp; Inclusion, International, Human Resource Strategy Director, Nipsea Management Company Pte. Ltd.</p>	21,682
<p>[Reason for selection as a candidate for Director of the Board]</p> <p>Atsushi Nagasaka has been engaged in the fields of procurement of raw materials and sales both in Japan and overseas since joining the Company. In the “Survival Challenge,” structural reforms implemented to restore the deteriorated performance as a result of the world financial crisis in 2008, he promoted reforms in raw material costs, and played a leading role in enhancing the Group’s price competitiveness. In April 2016, he was appointed as Managing Director of a consolidated subsidiary in Germany and reinforced the Group’s business in Europe. In March 2017, he was appointed as Director of the Board of the Company, and currently serves as Division Director of Human Resources &amp;, etc. with a central role in the promotion of the Group’s “work style reform” and “CSR management.” The Company deems such experience to be essential for the Group, and nominates him again as a candidate for Director of the Board.</p>			

Notes:

1. There are no special interests between the Company and Atsushi Nagasaka.
2. Atsushi Nagasaka attended all 18 meetings of the Board of Directors held during the fiscal year under review.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of stocks of the Company held
6	Hup Jin Goh (April 6, 1953) Re-Appointment	January 1985 Director, Nipsea Holdings International Ltd. (current) January 1988 Managing Director, Wuthelam Holdings, Ltd. (current) December 1993 Managing Director, Nipsea Pte. Ltd. (current) September 2009 Director, Nipsea Management Company Pte. Ltd. (current) August 2012 Director, Nipsea International Limited (current) December 2014 Director of the Board, the Company March 2018 Chairman of the Board (current) [Significant concurrent positions] Director, Nipsea Holdings International Ltd. Managing Director, Wuthelam Holdings, Ltd. Managing Director, Nipsea Pte. Ltd. Director, Nipsea Management Company Pte. Ltd. Director, Nipsea International Limited	0
[Reason for selection as a candidate for Director of the Board] Hup Jin Goh is the Managing Director of Wuthelam Holdings, Ltd., the Company's joint venture partner in the Asian region. Under his leadership, the Company's joint venture, which entered the Chinese market ahead of other major paint manufacturers in 1992 have grown to become the Group's core business. His excellent management skills have earned the Nippon Paint brand a high level of recognition in the trade-use paints industry in other parts of Asia as well, contributing to the Company's deep market penetration in the Asian countries it operates in. In addition, he was appointed as Chairman of the Board and Chairman of the Board of Directors' meetings of the Company in March 2018, and has contributed to vitalizing discussions based on his abundant experience as a business manager. The Company deems his deep insight and continuous commitment to the paint business to be essential for establishing the corporate governance to pursue "Maximization of Shareholder Value" from a medium- to long-term perspective after fully fulfilling responsibilities to all the stakeholders surrounding the Company, and nominates him again as a candidate for Director of the Board.			

Notes:

1. Hup Jin Goh is a Managing Director of Wuthelam Holdings, Ltd., the Company's joint venture partner in the Asia region, and is a Director of Nipsea International Limited, a major shareholder of the Company.
2. Hup Jin Goh attended all 18 meetings of the Board of Directors held during the fiscal year under review.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of stocks of the Company held	
7	Hisashi Hara (July 3, 1947) Outside Re-Appointment Independent	April	1975	Registered as an attorney Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)	721
		January	2000	Managing Partner, Nagashima Ohno & Tsunematsu	
		April	2004	Member of the External Evaluation Committee of Sophia Law School (current)	
		January	2006	Chairman, Nagashima Ohno & Tsunematsu	
		March	2012	Outside Audit & Supervisory Board Member, Chugai Pharmaceutical Co., Ltd. (current)	
		January	2013	Head of the Asia Operation, Nagashima Ohno & Tsunematsu	
		January	2018	Advisor, Nagashima Ohno & Tsunematsu (current)	
		March	2018	Outside Director of the Board, the Company (current)	
		[Significant concurrent positions]		Outside Audit & Supervisory Board Member, Chugai Pharmaceutical Co., Ltd.	
[Reason for selection as a candidate for Outside Director of the Board] With a career of over 40 years as an attorney, Hisashi Hara has been involved in numerous cross-border M&A deals and has assisted in various corporate legal matters. He also worked as an Outside Audit & Supervisory Board Member of JPMorgan Securities Japan Co., Ltd. and Chugai Pharmaceutical Co., Ltd. In 2011, he received the Chambers Asia-Pacific Lifetime Achievement Award from Chambers Partners, which is just one of many commendations in recognition of his good reputation as an attorney involved in cross-border M&A deals. In light of this impressive track record, he is expected to contribute to establishing globally-orientated corporate governance, a prerequisite for the future business growth of the Company. The Company deemed such knowledge to be essential for establishing the corporate governance to pursue "Maximization of Shareholder Value" from a medium- to long-term perspective after fully fulfilling responsibilities to all the stakeholders surrounding the Company, and nominates him again as a candidate for Outside Director of the Board.					

Notes:

1. There are no special interests between the Company and Hisashi Hara.
2. Hisashi Hara was elected as and assumed the position of Director of the Board at the 193rd Annual General Meeting of Shareholders held on March 28, 2018. He attended all 13 meetings of the Board of Directors held on and after that date during the fiscal year under review.
3. Hisashi Hara will have served for one year as Outside Director of the Board of the Company upon the conclusion of this General Meeting of Shareholders.
4. The Company concluded an agreement with Hisashi Hara to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, and if his re-appointment is approved, the Company plans to continue the aforementioned liability limitation agreement. Furthermore, the limit of liability for damages under this agreement is the minimum amount stipulated by laws and regulations.
5. Hisashi Hara satisfies the "Independence Criteria for Outside Directors/Outside Audit & Supervisory Board Members" of the Company and the requirements of an Independent Director as stipulated by the Tokyo Stock Exchange. The Company registered him as an Independent Director as stipulated by the said Exchange. If his re-appointment is approved, the Company will continue to appoint him as an Independent Director.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of stocks of the Company held	
8	Takashi Tsutsui (July 3, 1950) Outside Re-Appointment Independent	April	1974	Joined Nomura Securities Co., Ltd. (currently Nomura Holdings, Inc.)	340
		June	2002	Director, Nomura Holdings, Inc.	
		June	2003	Senior Executive Officer, Nomura Securities Co., Ltd. (established as a subsidiary of Nomura Holdings, Inc. by means of Company Split)	
		June	2005	President and Representative Director, Jsdq Securities Exchange, Inc. (currently Japan Exchange Group, Inc.)	
		April	2011	Director and Vice President Executive Officer, LIXIL Group Corporation	
		April	2014	Director, Vice President Executive Officer and Chief External Relations Officer, LIXIL Corporation	
		January	2017	Representative, Ryuju Consulting (current)	
		March	2018	Outside Director of the Board, the Company (current)	
[Significant concurrent positions] Representative, Ryuju Consulting					
[Reason for selection as a candidate for Outside Director of the Board] As an employee for many years at Nomura Securities Co., Ltd., and having served as Representative Director of Jsdq Securities Exchange, Inc. and Vice President Executive Officer responsible for M&A, investor relations, etc. at LIXIL Group Corporation, Takashi Tsutsui has ample experience in global business operations. He also has keen insight into the need to safeguard the rights of minority shareholders and other aspects of corporate governance. The Company deems such knowledge to be essential for establishing the corporate governance to pursue “Maximization of Shareholder Value” from a medium- to long-term perspective after fully fulfilling responsibilities to all the stakeholders surrounding the Company, and nominates him again as a candidate for Outside Director of the Board.					

Notes:

1. There are no special interests between the Company and Takashi Tsutsui.
2. Takashi Tsutsui was elected as and assumed the position of Director of the Board at the 193rd Annual General Meeting of Shareholders held on March 28, 2018. He attended all 13 meetings of the Board of Directors held on and after that date during the fiscal year under review.
3. Takashi Tsutsui will have served for one year as Outside Director of the Board of the Company upon the conclusion of this General Meeting of Shareholders.
4. The Company concluded an agreement with Takashi Tsutsui to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, and if his re-appointment is approved, the Company plans to continue the aforementioned liability limitation agreement. Furthermore, the limit of liability for damages under this agreement is the minimum amount stipulated by laws and regulations.
5. Takashi Tsutsui satisfies the “Independence Criteria for Outside Directors/Outside Audit & Supervisory Board Members” of the Company and the requirements of an Independent Director as stipulated by the Tokyo Stock Exchange. The Company registered him as an Independent Director as stipulated by the said Exchange. If his re-appointment is approved, the Company will continue to appoint him as an Independent Director.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of stocks of the Company held
9	Toshio Morohoshi (August 24, 1953) Outside Re-Appointment Independent	April 1976	Joined Fujitsu Limited	100
		October 2005	Managing Executive Officer, Fujitsu Limited	
		July 2007	President & CEO, EMC Japan K.K.	
		January 2012	President & CEO, NCR Japan, Ltd.	
		June 2015	President & CEO, Yaskawa Information Systems Corporation	
		March 2018	Outside Director of the Board, the Company (current)	
		May 2018	Advisor, Yaskawa Information Systems Corporation (current)	
		August 2018	Outside Director, WingArclst Inc. (current)	
		[Significant concurrent positions] Outside Director, WingArclst Inc.		
[Reason for selection as a candidate for Outside Director of the Board] With a career of over 40 years as an IT specialist, Toshio Morohoshi was formerly involved in the management of Fujitsu, Japan's leading global electronics company. After serving as Japan representative for multiple global enterprises, he had managed Yaskawa Information Systems Corporation as its President & CEO until May 2018. Appointing Morohoshi, with his specialist IT background, as an Outside Director of the Board will add diversity to the composition of the Board of Directors, as emphasized in the corporate governance code, and is expected to inject vitality to discussions by the Board. The Company deemed his knowledge to be essential for establishing the corporate governance to pursue "Maximization of Shareholder Value" from a medium- to long-term perspective after fully fulfilling responsibilities to all the stakeholders surrounding the Company, and nominates him again as a candidate for Outside Director of the Board.				

Notes:

1. There are no special interests between the Company and Toshio Morohoshi.
2. Toshio Morohoshi was elected as and assumed the position of Director of the Board at the 193rd Annual General Meeting of Shareholders held on March 28, 2018. He attended 12 meetings out of 13 meetings of the Board of Directors held on and after that date during the fiscal year under review.
3. Toshio Morohoshi will have served for one year as Outside Director of the Board of the Company upon the conclusion of this General Meeting of Shareholders.
4. The Company concluded an agreement with Toshio Morohoshi to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, and if his re-appointment is approved, the Company plans to continue the aforementioned liability limitation agreement. Furthermore, the limit of liability for damages under this agreement is the minimum amount stipulated by laws and regulations.
5. Toshio Morohoshi satisfies the "Independence Criteria for Outside Directors/Outside Audit & Supervisory Board Members" of the Company and the requirements of an Independent Director as stipulated by the Tokyo Stock Exchange. The Company registered him as an Independent Director as stipulated by the said Exchange. If his re-appointment is approved, the Company will continue to appoint him as an Independent Director.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of stocks of the Company held	
10	Yasunori Kaneko (August 25, 1953) Outside Re-Appointment Independent	March	1981	Joined Genentech, Inc.	2,000
		March	1991	Vice president and CFO, Ionis Pharmaceuticals	
		January	1999	Managing Director, Skyline Ventures	
		October	2005	Member of Advisory Committee of Stanford University Graduate School of Business	
		June	2006	Outside Director, Miraca Holdings Inc.	
		May	2015	Lead Independent Director, Arcus Biosciences, Inc. (current)	
		March	2018	Outside Director of the Board, the Company (current)	
		September	2018	Deputy President, Japan Investment Corporation (JIC)	
		January	2019	Managing Director, Kaneko Investments LLC (current)	
				[Significant concurrent positions] Lead Independent Director, Arcus Biosciences, Inc. Managing Director, Kaneko Investments LLC	
[Reason for selection as a candidate for Outside Director of the Board] Yasunori Kaneko has a long record of service in the life sciences and many other fields at companies in Japan and overseas, in Director, Chief Financial Officer and other positions. Having worked as, among other posts, a member of Advisory Committee of Stanford University Graduate School of Business in the U.S., from which he graduated, he has specialist knowledge and experience of business management, finance and accounting. The Company deems such knowledge to be essential for establishing the corporate governance to pursue “Maximization of Shareholder Value” from a medium- to long-term perspective after fully fulfilling responsibilities to all the stakeholders surrounding the Company, and nominates him again as a candidate for Outside Director of the Board.					

Notes:

1. There are no special interests between the Company and Yasunori Kaneko.
2. Yasunori Kaneko was elected as and assumed the position of Director of the Board at the 193rd Annual General Meeting of Shareholders held on March 28, 2018. He attended all 13 meetings of the Board of Directors held on and after that date during the fiscal year under review.
3. Yasunori Kaneko will have served for one year as Outside Director of the Board of the Company upon the conclusion of this General Meeting of Shareholders.
4. The Company concluded an agreement with Yasunori Kaneko to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, and if his re-appointment is approved, the Company plans to continue the aforementioned liability limitation agreement. Furthermore, the limit of liability for damages under this agreement is the minimum amount stipulated by laws and regulations.
5. Yasunori Kaneko satisfies the “Independence Criteria for Outside Directors/Outside Audit & Supervisory Board Members” of the Company and the requirements of an Independent Director as stipulated by the Tokyo Stock Exchange. The Company registered him as an Independent Director as stipulated by the said Exchange. If his re-appointment is approved, the Company will continue to appoint him as an Independent Director.

No.	Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of stocks of the Company held
11	Masayoshi Nakamura (November 10, 1954) Outside Re-Appointment Independent	<p>April 1977 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>September 1996 Managing Director, Lehman Brothers</p> <p>March 1999 Managing Director, Morgan Stanley</p> <p>June 2006 Director and Senior Executive Officer, Mitsubishi UFJ Securities Co. ,Ltd.; Executive Officer, Mitsubishi UFJ Financial Group, Inc.</p> <p>February 2011 Representative Director, Nakamura Arai Partners Inc. (currently OCTAHEDRON Inc.) (current)</p> <p>March 2018 Outside Director of the Board, the Company (current)</p> <p>[Significant concurrent positions] Representative Director, OCTAHEDRON Inc.</p>	1,202
<p>[Reason for selection as a candidate for Outside Director of the Board]</p> <p>Since 1984, Masayoshi Nakamura has built up over 30 years of hands-on experience as a specialist in M&amp;A advisory and capital market financing, at major US investment banks Lehman Brothers and Morgan Stanley, as well as at Mitsubishi UFJ Securities Co. ,Ltd., a core member of Mitsubishi UFJ Financial Group. During this time, he took a lead role in multiple major cross-border M&amp;A deals as financial advisor, and also helped globalize Japanese companies and their businesses through involvement in their M&amp;A deals. He is expected to contribute greatly to the development of the Company's business by drawing on his long experience in M&amp;A deals to provide accurate advice on risk control and other aspects of M&amp;A deals in Japan and overseas. The Company deems such knowledge to be essential for establishing the corporate governance to pursue "Maximization of Shareholder Value" from a medium- to long-term perspective after fully fulfilling responsibilities to all the stakeholders surrounding the Company, and nominates him again as a candidate for Outside Director of the Board.</p>			

Notes:

1. There are no special interests between the Company and Masayoshi Nakamura.
2. Masayoshi Nakamura was elected as and assumed the position of Director of the Board at the 193rd Annual General Meeting of Shareholders held on March 28, 2018. He attended all 13 meetings of the Board of Directors held on and after that date during the fiscal year under review.
3. Masayoshi Nakamura will have served for one year as Outside Director of the Board of the Company upon the conclusion of this General Meeting of Shareholders.
4. The Company concluded an agreement with Masayoshi Nakamura to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, and if his re-appointment is approved, the Company plans to continue the aforementioned liability limitation agreement. Furthermore, the limit of liability for damages under this agreement is the minimum amount stipulated by laws and regulations.
5. Masayoshi Nakamura satisfies the "Independence Criteria for Outside Directors/Outside Audit & Supervisory Board Members" of the Company and the requirements of an Independent Director as stipulated by the Tokyo Stock Exchange. The Company registered him as an Independent Director as stipulated by the said Exchange. If his re-appointment is approved, the Company will continue to appoint him as an Independent Director.

**Proposal 4:** Revision of Compensation, etc., Amounts for Directors of the Board

The current compensation, etc., amounts provided to Directors of the Board was approved at the 189th Annual General Meeting of Shareholders held on June 27, 2014, to be within 1.0 billion yen per annum (of which the amount of compensation, etc. provided to Outside Directors of the Board is within 60 million yen per annum). It was furthermore approved at the 190th Annual General Meeting of Shareholders held on June 26, 2015, to grant stock acquisitions rights in the form of stock compensation-type stock options to Directors of the Board (excluding Outside Directors of the Board) within the range of the above.

In the new medium-term management plan “N-20” announced in May 2018, the Group advocated “establishing an overwhelming position in Asia to accelerate global growth” and set its sights on becoming a leading company that continues to create new value. Moving forward, the roles and responsibilities of the Directors of the Board in maximizing shareholder value for the Group will become greater than ever and there will be an increase in both the opportunities and the risks presented by making important decisions. Furthermore, it will become essential to seek out outstanding business managers, etc., from around the world regardless of nationality, sex, age, or industry/business category experience, and invite them to be Directors of the Board in order to further strengthen the management structure and corporate governance of the Company. In light of these circumstances, the Company finds it necessary to adjust the compensation provided to Directors of the Board to correspond with their future roles and increase the number of personnel (upper limit) composing the Board of Directors as proposed in Proposal 2, and thereby requests shareholders’ approval for the revision of compensation, etc., amounts for Director of the Board.

The Company proposes to revise the compensation, etc., amounts provided to Directors of the Board to within 2.0 billion yen per annum (of which the amount of compensation, etc. provided to Outside Directors of the Board is within 300 million yen per annum).

Additionally, the number of Directors of the Board is currently 10 persons (including 5 Outside Directors of the Board), and if Proposal 2 and Proposal 3 are approved as originally proposed, the number of Directors of the Board will be 11 persons (including 5 Outside Directors of the Board).

**Proposal 5:** Revision of Compensation, etc., Amounts for Audit & Supervisory Board Members

The current compensation, etc., amounts provided to Audit & Supervisory Board Members was approved at the 189th Annual General Meeting of Shareholders held on June 27, 2014, to be within 120 million yen per annum. Since then, while the Group accelerates its globalization, consolidating a joint venture partner in Asia and turning a U.S. manufacturer of construction paint into a wholly owned subsidiary, Audit & Supervisory Board Members have increased responsibility as they are expected to perform audit for a broader range with higher quality. Considering these circumstances of the Company and changes in the surrounding environment, the Company proposes to revise the compensation, etc., amounts provided to Audit & Supervisory Board Members to within 180 million yen per annum.

Additionally, the number of Audit & Supervisory Board Members is currently 5 persons (including 3 Outside Audit & Supervisory Board Members)

**Proposal 6:** Determination of Compensation for Granting Restricted Stock to the Company’s Directors of the Board

The current compensation, etc., amounts provided to Directors of the Board was approved at the 189th Annual General Meeting of Shareholders held on June 27, 2014, to be within 1.0 billion yen per annum (of which the amount of compensation, etc. provided to Outside Directors of the Board is within 60 million yen per annum), and it was furthermore approved at the 190th Annual General Meeting of Shareholders held on June 26, 2015, to grant stock acquisitions rights in the form of stock compensation-type stock options to Directors of the Board (excluding Outside Directors of the Board) within the range of the above. In addition, if Proposal 4 “Revision of Compensation, etc., Amounts for Directors of the Board” proposed at this Annual General Meeting of Shareholders is approved by shareholders, the compensation, etc., amounts provided to Directors of the Board shall be within 2.0 billion yen per annum (of which the amount of compensation, etc. provided to Outside Directors of the Board is within 300 million yen per annum).

At this point in time, as part of a review of the compensation plan for directors, the Company proposes, within the compensation, etc., amounts provided to Directors of the Board described in Proposal 4, the payment of new compensation for granting restricted stock as long-term incentive compensation to Directors of the Board in order to provide incentive for maximization of shareholders’ value of the Company and promote a shared sense of values with shareholders. In addition, the Company also proposes the payment of compensation for granting restricted stock to Outside Directors of the Board. This aims to establish a

compensation system that corresponds not only with management oversight but also the roles and the risks of making important decisions including corporate acquisitions, taking into account the professional duties of Outside Directors of the Board, by paying compensation for granting restricted stock as long-term incentive compensation in addition to the current compensation system which consists of job-based compensation only.

Based on this proposal, the compensation paid for granting restricted stock to the Directors of the Board shall be a monetary claim (hereinafter, the “Monetary Compensation Claim”), and the total amount shall be set to within 600 million yen per annum (which includes within 200 million yen per annum for Outside Directors of the Board) as an amount deemed appropriate taking into consideration the above objectives. The specific provision schedule and allotment for each Director of the Board shall be decided by the Board of Directors.

Additionally, the number of Directors of the Board is currently 10 persons (including 5 Outside Directors of the Board), and if Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 3 “Election of 11 Directors of the Board” are approved as originally proposed, the number of Directors of the Board will be 11 persons (including 5 Outside Directors of the Board).

Based on the resolution of the Board of Directors of the Company, the Directors of the Board shall provide all Monetary Compensation Claims granted in accordance with this proposal as assets contributed in kind and shall issue or dispose of common shares of the Company in turn. In accordance with this, the total number of common shares to be newly issued or disposed of shall be within 300 thousand shares per annum (which includes within 100 thousand shares per annum for Outside Directors of the Board. However, in the event that the Company conducts a stock split (including a gratis allotment of common shares) or reverse stock split of common shares that were put into effect on or after the date of the approval of this proposal, or other matter which makes it necessary to adjust the total number of shares to be issued or disposed of as restricted stock occurs, the Company shall adjust this total number of shares to an extent considered reasonable).

The price of each share shall be based on the closing price of the Company’s common shares on the Tokyo Stock Exchange for the business day immediately preceding each resolution by the Board of Directors (if trading did not occur on that day, then the closing price on the most recent preceding day on which trading occurred) as determined by the Board of Directors to the extent that it does not result in a particularly advantageous amount for the directors receiving these common shares. Furthermore, with regard to the issuance or disposal of common shares of the Company, a restricted stock allocation agreement (hereinafter, the “Allocation Agreement”) shall be signed between the Company and the Directors of the Board which includes the following.

(1) Transfer Restriction Period

Directors of the Board may not transfer, establish security rights on, or otherwise dispose of (the “Restrictions”) common shares of the Company received by allocation under the Allocation Agreement (the “Allocated Shares”) during the period stipulated in advance by the Board of Directors of the Company that is between three and thirty years after the day allocation is received under the Allocation Agreement (the “Transfer Restriction Period”).

(2) Treatment on Retirement from Office

In the event that Directors of the Board, not concurrently serving as Director of the Board, Executive Officer, Audit & Supervisory Board Member, employee, Senior Advisor or Senior Counselor or any equivalent thereof retires or resigns from his or her position before the Transfer Restriction Period expires, the Company shall automatically acquire the Allocated Shares without consideration, unless the retirement from office is due to the expiration of his or her term of office, death, or any other legitimate reason.

(3) Cancellation of Restrictions

Notwithstanding the provisions of (1) above, the Company shall cancel Restrictions for all Allocated Shares when the Transfer Restriction Period expires, provided Director of the Board has served continuously in his or her position as Director of the Board, not concurrently serving as Director of the Board, Executive Officer, Audit & Supervisory Board Member, employee, Senior Advisor or Senior Counselor or any equivalent thereof during the Transfer Restriction Period; provided, however, that, in the event that Director of the Board retires or resigns from his or her position stipulated in (2) above prior to the expiration of the Transfer Restriction Period due to the expiration of his or her term of office, death, or any other legitimate reason, as set forth in (2) above, the Company shall reasonably adjust the number of Allocated Shares for

which Restrictions will be cancelled and the timing of the cancellation of Restrictions as necessary (in case (5) Conditions for Cancellation of Restrictions due to Achievement of Results below is included in the Allocated Shares, the conditions stipulated in (5) below shall be taken into consideration). Additionally, the Company shall automatically acquire Allocated Shares whose Restrictions are not cancelled as of the time immediately after the Restrictions are cancelled in line with the above stipulations, without consideration.

(4) Treatment in the Event of Organizational Restructuring, etc.

Notwithstanding the provisions of (1) above, if, during the Transfer Restriction Period, a merger agreement in which the Company will be the disappearing company, share exchange agreement or share transfer plan in which the Company will become a wholly owned subsidiary, or other item related to organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (however, this shall be the Board of Directors of the Company in cases when the approval of the General Meeting of Shareholders of the Company is not required in regard to the organizational restructuring, etc.), the Company shall, by resolution of the Board of Directors, cancel Restrictions ahead of the effective date of the organizational restructuring, etc. for a number of Allocated Shares reasonably determined in consideration of the period from the start date of the Transfer Restriction Period to the day the organizational restructuring, etc. is approved (in case (5) Conditions for Cancellation of Restrictions due to Achievement of Results below is included in the Allocated Shares, the conditions stipulated in (5) below shall be taken into consideration). Additionally, in cases provided for above, the Company shall automatically acquire Allocated Shares whose Restrictions are not cancelled as of the time immediately after the Restrictions are cancelled, without consideration.

(5) Condition for Cancellation of Restrictions due to Achievement of Results

The Company stipulates that, in case the business result condition stipulated in advance by the Board of Directors of the Company is achieved, the Company shall, as necessary, cancel Restrictions for all or part of Allocated Shares when the Transfer Restriction Period expires. Additionally, this condition shall not be applied to the restricted stock granted to Outside Directors of the Board.

(6) Other Matters

Other matters regarding the Allocation Agreement shall be determined by the Board of Directors of the Company.

## Appendix

### <Independence Criteria for Outside Directors/Outside Audit & Supervisory Board Members >

1. Nippon Paint Holdings will determine that Outside Directors of the Board and Outside Audit & Supervisory Board Members (hereinafter collectively referred to as “OD/OASBM”) or candidates for OD/OASBM are sufficiently independent from Nippon Paint Holdings if they are found to satisfy all the requirements prescribed in the following items as a result of a reasonable investigation by Nippon Paint Holdings.
  - (1) The person in question is not an executive (See Note 1) or an executive (See Note 2) of Nippon Paint Holdings or any of its subsidiaries (hereinafter “Nippon Paint Group”).
  - (2) The person in question does not fall under any of the following persons either currently or anytime during the past three years:
    - 1) A major shareholder of Nippon Paint Holdings (See Note 3) or an executive of such a shareholder
    - 2) A person whose major business partner is the Nippon Paint Group (See Note 4) or an executive of such a person
    - 3) A major business partner of the Nippon Paint Group (Note 5) or an executive of such a business partner
    - 4) A person belonging to an audit corporation that conducts statutory audits of the Nippon Paint Group
    - 5) A person who receives a significant amount (Note 6) of money, etc. from the Nippon Paint Group, in addition to remuneration of Directors of the Board or Audit & Supervisory Board Member
    - 6) An executive of an organization that receives a significant amount (Note 6) of donation or aid from the Nippon Paint Group
  - (3) The person in question is not a spouse or a relative within the second degree of kinship of a person falling under any items of (1) or (2) above.
2. Independent Directors of the Board/Audit & Supervisory Board Member shall strive to maintain the independence prescribed by these Independence Criteria until the resignation from office. If an Independent Director of the Board/Audit and Supervisory Board Member no longer satisfies these Independence Criteria, he/she shall promptly notify Nippon Paint Holdings of the fact.

#### Notes:

1. An executive means an executive director, an executive officer, a corporate officer, or a person holding a similar position at a corporation or other organization.

2. An ex-executive means a person who has been an executive anytime during the past 10 years.
3. A major shareholder means a person who directly or indirectly holds 10% or more of the total voting rights.
4. A person whose major business partner is the Nippon Paint Group means a person who has received from Nippon Paint Holdings a payment equivalent to 2% or more of the annual consolidated net sales for the latest fiscal year of that person.
5. A major business partner of the Nippon Paint Group means a person who has paid to the Nippon Paint Group an amount equivalent to 2% or more of the annual consolidated net sales for the latest fiscal year of Nippon Paint Holdings or a person who has an outstanding balance of loans to Nippon Paint Holdings that is equivalent to 2% or more of the consolidated total assets of Nippon Paint Holdings as of the end of the latest fiscal year of Nippon Paint Holdings.
6. A significant amount means an amount exceeding an annual amount of 10 million yen on average over the past three fiscal years of Nippon Paint Holdings.