Expanding business opportunities through ESG initiatives for sustainable growth

Commitment of a Corporate Officer in charge of ESG promotion

During the period of the New Medium-Term Plan that started in FY2021, we will further push forward with specific actions based on the ESG agenda linked to materiality. For the response to “Climate change,” we will steadily work to reduce CO2 emissions while shifting to renewable energy and replacing equipment with energy-saving and electrified models. In high-growth countries where markets are expanding, we will focus on reducing emissions per intensity to achieve the net zero targets set by each country. For “Innovation for a sustainable future,” we will contribute to customer needs by providing coatings for offshore wind turbine systems and the next-generation ship bottom antifouling paint FASTAR, since low-footprint products are a very important category in the BtoB sector. On the other hand, as the global expansion of COVID-19 from 2020 has led to a growing need for paints with anti-viral and anti-bacterial functions, we plan to continue releasing new products one after another under the PROTECTION brand.

In addition, coexistence with local communities is an important theme for our Group’s business operations. For “Growth with communities,” we are accelerating social contribution activities through business on a global scale. For example, we launched the global initiative for social contribution activities, the NIPPON PAINT Group Global Outreach Program, in FY2021. We believe that the promotion of this initiative consisting of three pillars—Education, Empowerment, and Engagement—will make significant contribution to the sustainability of our business. As mentioned above, our Group will expand our business opportunities and contribute to social sustainability through management based on the perspectives of SDGs and ESG.

Yoshiaki Kuroda
Managing Executive Officer and CAO

ESG management system

Placing SDGs and ESG at the core of management, we established the ESG Committee in 2020 to have Group-wide discussions on creating and improving sustainable corporate value, as well as accelerating ESG promotion activities.

Chaired by the Representative Executive Officer & Co-President, the ESG Committee formulates strategies, policies and action plans regarding the Group’s “vision” based on the perspective of SDGs and ESG, alongside assessing and promoting ESG activities.

In order to progress with our efforts for materiality that was reviewed in August 2020, we have established working teams that directly report to the ESG Committee and consist of members from major partner companies around the world. The working teams are sharing the situations in various regions where our Group operates, learning from each other advanced cases within our Group, working on setting targets to be achieved on a global basis, and formulating measures suited to the circumstances in each operating region.

Efforts to formulate KPIs

Our Group has operations in 30 countries and geographical locations around the globe. Currently, we are working with partner companies to formulate specific KPIs for progressing with materiality and the ESG agenda. For initiatives toward “Reduction of greenhouse gas (GHG) emissions,” for instance, we are seriously working to identify issues and measures based on the circumstances in each country and region, as the use of renewable energy and certificates differs among countries and regions.

Working teams’ activities

The five working teams established under the ESG Committee, respectively composed of executives and persons engaged in actual work from Nippon Paint Holdings and overseas partner companies, are holding global discussions and implementing measures for each topic. The Global Promotion Team 1 shares the progress toward net zero at each location with the theme of “Climate change.” The Global Promotion Team 3 is discussing KPIs and their aggregation for the social contribution activity framework “NIPPON PAINT Group Global Outreach Program” under the theme of “Growth with communities.”