We will invest in communities through our value chain to achieve sustainable business growth based on market growth, brand reinforcement and good relationships with local communities.

Globally unified social contribution policy
To achieve sustainable development with coexistence and co-prosperity between the Nippon Paint Group and local communities, we formulated the basic policy on social contribution activities in FY2021. As part of this effort, we launched a global initiative for social contribution activities “NIPPON PAINT Group Global Outreach Program” with the three pillars of the activities: “Education” for the development of future stakeholders; “Empowerment” for the development of industry through support of activities and vocational training for the socially vulnerable; and “Engagement” for collaboration with local communities and stakeholders.

Promotion system
In FY2020, we established meeting bodies to promote materiality both globally and in Japan. We will further drive cooperation within the Group through close information sharing and consultation. Efforts for cooperation are also being made at each partner company. For example, NIPSEA has a meeting body that connects partner companies in Asian countries and is promoting various global projects. In FY2020, they compiled data on social contribution activities for the first time, and received the Asia Responsible Enterprise Awards 2020 under the social empowerment category in September of the same year for their young painter development project and vocational training activities for women in impoverished regions in India.

Effects and impacts of social contribution activities
Our Group is not simply implementing social contribution activities, but also pursuing strategic initiatives paying attention to the impact of these activities on our core business and local communities.

Investment in social contribution activities and its results and impacts

<table>
<thead>
<tr>
<th>Country/region</th>
<th>Number of projects</th>
<th>Resources input</th>
<th>Results and impacts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>&gt; 198</td>
<td>&gt; 170,000masks</td>
<td>&gt; 1.76 million masks</td>
</tr>
<tr>
<td></td>
<td></td>
<td>&gt; 170,000masks</td>
<td>People impacted: &gt; 5.33 million people</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Media coverage: &gt; 7.73 million USD</td>
</tr>
</tbody>
</table>

For our initiatives worldwide, please visit the “Sustainability” page on our website: https://www.nipponpaint-holdings.com/en/sustainability/social/
Achievements in sustainable products

In FY2020, we sold approximately 3,000 sustainable product items in Japan. Of this total, sales of beneficial products with features designed to contribute to solving social issues reached approximately 24.5 billion yen. Research and development expenditures amounting to approximately 2.9 billion yen were allocated to some 120 development themes for sustainable technologies and products in Japan in FY2021.

Going forward, we plan to disclose data on a global basis.

Total number of sustainable products sold in FY2020 (by category)

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Sustainable Products</th>
<th>Benefit Products with Reduced Environmental Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3,095</td>
<td>54%</td>
</tr>
</tbody>
</table>

**Sustainable product development expenses (by category)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Sustainable Product Development Expenses</th>
<th>Benefit Products with Reduced Environmental Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approx. 2.9 billion yen</td>
<td>54%</td>
</tr>
</tbody>
</table>

**Achievements in sustainable products**

- **Total number of sustainable products sold in FY2020**
- **Sustainable product development expenses in FY2021**

**Sustainable product (1) Antifouling hull paint AQUATERRAS**

Nippon Paint Marine Coatings’ antifouling hull paint AQUATERRAS won in April 2021 the TECHNOLOGY AWARD of the environmental award GREENASEA VIRTUAL AWARDS hosted by the European maritime NPO SAFETY4SEA for the first time as a Japanese company.

AQUATERRAS is the world’s first biocide free self-polishing antifouling paint with a marine-environment-friendly formulation, free of heavy metals, active ingredients and silicone. In addition, this product can reduce the total resistance on hull by up to 10% thereby contributing to reduction of CO2 emission. AQUATERRAS received a global award for its innovative technology that achieves both environmentally responsible and efficient vessel operation.

In January 2021, moreover, we launched FASTAIR, the next-generation hydrolysis antifouling hull paint that incorporates for the first time a hydrophilic and hydrophobic nanodomain technology, focusing on coating surface control technology, under the concept "Precise, Predictable, Performance."

- **In accordance with our mission of protecting people’s health and creating a safe and pleasant future, the PROTECTON brand debuted in September 2020. PROTECTON is a paint technology brand with anti-viral and anti-bacterial functions developed by combining our paint, coatings, and surface treatment technologies. The name implies the function to "PROTECT" people's lives from threats of viruses and bacteria + to turn the function "ON" to the surfaces of all things.**

**PROTECTON brand proven effective in suppressing novel coronavirus (including its variant): Joint development of new anti-viral nano photocatalyst**

Five PROTECTON products have been proven to be effective in suppressing the novel coronavirus (SARS-CoV-2) and its Alpha variant on coated surfaces. This is based on a joint research project between our Group and the Graduate School of Engineering of the University of Tokyo and the Institute of Medical Science. This is the first time in Japan that anti-viral and anti-bacterial products have been proven to be effective in suppressing the Novel coronavirus (SARS-CoV-2) and its Alpha variant. We have also developed a new anti-viral nano photocatalyst that suppresses Novel coronavirus and its variant (Alpha variant), and are considering its social implementation by introducing it into new PROTECTON products.

Our Group and the University of Tokyo have jointly conducted research activities on coatings technologies with anti-viral functions and functions to prevent the spread of infections for a sustainable post-COVID-19 society. This is one of the joint research themes under the industry-academia co-creation agreement we concluded on May 18, 2020. Through the collaborative research with them, we will continue to conduct tests to verify the effectiveness of our innovative coatings technologies including anti-viral technology using visible light-responsive photocatalyst in suppressing the SARS-CoV-2 virus under actual conditions of use.

*The products used for the test are not intended for medical use as a medical product or medical device. The test results do not indicate the effectiveness of these products in preventing infections.*

*These products do not suppress indoor airborne viruses.*

**Anti-viral paint brand PROTECTON**

PROTECTON is a paint technology brand with anti-viral and anti-bacterial functions developed by combining our paint, coatings, and surface treatment technologies. The name implies the function to “PROTECT” people’s lives from threats of viruses and bacteria + to turn the function “ON” to the surfaces of all things.

We are developing the PROTECTON brand for deployment across our partner companies in Japan. We have already launched five anti-viral paint products for industrial, DIY, and household use, including PROTECTON Barrierx™ Spray released by Nippon Paint Industrial Coatings in July 2021. PROTECTON will produce various types of products in addition to paint products as a product brand with anti-viral and anti-bacterial functions.

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