Corporate Governance Structure and Initiatives

Nominating Committee Report

Creation of a structure that contributes to MSV in terms of both business execution and supervision

Since April 2021, the Board of Directors established a management structure suitable for pursuing growth through Assemler model. This was accomplished by shifting to the Co-Presidential setup, reducing the number of Executive Officers, and electing non-Japanese Independent Directors and Representative Executive Officers & Co-Presidents as Directors. We are proud of the fact that the Nominating Committee has been able to contribute to the establishment of a structure that will contribute to MSV for further growth in terms of both business execution and supervision.

The committee’s activities are not based on initiatives in accordance with uniform frameworks established in advance, such as a management talent development plan and implementation measures. On the basis of respecting the management autonomy of partner companies based on mutual trust, we are focusing on the examination of human capital issues, such as the character of President and other senior executives and whether they are worthy of trust.

In the future, M&A will add new management talent, resulting in a deeper base of Global Key Persons (GKP) at the Group and the realization of the potential of our human capital more than we can imagine. Each partner company’s external human networks are also valuable assets for finding additional talent. Continuous growth by pursuing Assemler model will greatly expand the possibilities for finding the best and right people from around the world, whether internally or externally. These people will become a talent pool for qualified and succeeding Executive Officers including President.

The Nominating Committee will continue to focus on flexibly taking actions, anticipating the next changes and identifying people with the potential to become the next senior executives.

Number of meetings held FY2021: From Mar 1 to March 2021 to early March 2022 FY2022: From Mar 1 to March 2022 to early March 2023 15 12 Chairperson

Hisashi Hara (Independent Director)

Committee Members

Non-Executive Director Independent Director

Hiroshi Umezawa (Chairperson of the Nominating Committee)

Roles of the Committee

Decide on the content of proposals regarding the election and dismissal of Directors to be submitted to the General Meeting of Shareholders, and deliberate on succession plans for Directors, the appointment and removal of the Representative Executive Officer, and President, and other Executive Officers, and their succession plans.

Main Activities

The Nominating Committee passed a resolution regarding the election and dismissal of Directors for FY2022 to be submitted to the General Meeting of Shareholders, and deliberated and provided responses on the selection of Executive Officers for FY2022.

Required experience/skills

1. Experience in corporate management: the ability to supervise and give advice on the formulation of business strategy to its implementation

2. Experience in global business operations: the ability to supervise and give advice on regulations, strategic decisions, and risk management, as well as the situation of the Group, the business environment, and the business environment for the Group around the world

3. Manufacturing/Technology/R&D: the ability to supervise and give advice on strategic vision and the results of research and development, and the development of new products and new technology

4. Finance: The ability to supervise and give advice on capital allocation and other financial activities of the Company.

Unearthing future management talent and development of growth environment

We recognize that strengthening our Group’s human capital is an important management issue in the face of globalization and drastic changes in the business environment.

We do not recruit and develop future management personnel in a uniform manner. Based on mutual trust between Co-Presidents and the heads of each partner company group (PCG; Nippon Paint Group companies grouped by region or business), we are developing an environment for discovering and growing human resources based on respect for the autonomy of each PCG. We are also strengthening “Experience in global business operations” and “Experience in M&A,” which are essential for identifying better assets from the realization of MSV.

Appointee and dismissal process for management personnel

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Nippon Paint Holdings Integrated Report 2022