

# **NIPPON PAINT HOLDINGS**

## **CORPORATE GOVERNANCE POLICY**

### **Chapter 1      General Provisions**

#### **(Purpose)**

Article 1    Nippon Paint Holdings Co., Ltd. (hereinafter “Nippon Paint Holdings”), recognizing corporate governance as one of the important management issues, clarifies its fundamental views, framework, administrative guidelines, etc., on corporate governance of the Nippon Paint Group by the Nippon Paint Holdings Corporate Governance Policy (hereinafter “Policy”).

Note: As used in this Policy, the term the “Nippon Paint Group” refers to the corporate Nippon Paint Group consisting of Nippon Paint Holdings and its subsidiaries.

#### **(Basic views)**

Article 2    Nippon Paint Holdings, for the purpose of realizing the sustainable growth and medium/long-term enhancement of the corporate value of the Nippon Paint Group by putting into practice its “Management Philosophy” and “Nippon Paint Group Vision,” continues to enhance and strengthen corporate governance on an ongoing basis aiming to create a management mechanism that enables Nippon Paint Holdings to respond to changes in the management environment promptly and effectively and to realize high management transparency.

#### **<Management Philosophy>**

The Nippon Paint Group is committed to contributing to the welfare of society as a whole through its business activities, working together for the mutual prosperity and benefit of everyone.

#### **<Vision of the Nippon Paint Group>**

- We will deliver satisfaction and deep impression to our customers by providing excellent specialty chemicals products and services, centering coatings technology.
- We will grow globally based on respect for the cultures and values of entire world.
- We will pursue to achieve corporate culture that accumulates people with challenging spirits and enthusiasm.

#### **(Code of Conduct)**

Article 3    Nippon Paint Holdings has established the “Code of Conduct” by a resolution of the board of directors as a code of conduct for its directors, officers and employees in the course of business activities and ensures that the Code is embedded in and complied with by its directors, officers and employees by having them always carry the Code with them.

### <Code of Conduct>

- Credibility  
Live up to the trust of the society with a “fair ethical view,” “strong sense of responsibility,” and “correct and reasonable judgment.”
- Customer-oriented  
Live up to the trust of customers by joining forces of the entire Nippon Paint Group and providing the best solution to them.
- Creativity  
Create new values with foresight and flexible thinking.
- Challenge  
Always set high goals to challenge toward the realization of the highest levels in the world.
- Collaboration  
Mutually acknowledge the diversity of individual members and create a liberal and open-minded corporate culture through “dialogue” and “cooperation.”

### (Roles of the Holding Company in Corporate Governance)

Article 4 As a holding company, Nippon Paint Holdings manages the business operations of its subsidiaries to ensure sound and proper business operations of the entire Nippon Paint Group and thereby strives to increase the corporate value of the Nippon Paint Group as a whole.

### (Relationship with Stakeholders)

Article 5 Nippon Paint Holdings, in order to realize the Vision of the Nippon Paint Group based on the relationship of trust with our stakeholders including customers, business partners, local communities, employees, and shareholders both in Japan and overseas and fulfill its social responsibility as a corporate citizen, conducts CSR activities in the fields of compliance, responsible care, and social contribution, while providing appropriate opportunities to have dialogue with these stakeholders to promote their understanding of the business of Nippon Paint Holdings.

### (Sustainability)

Article 6 Nippon Paint Holdings performs activities to improve its management system and addresses sustainability issues based on its internal responsible care policy. Nippon Paint Holdings' overall goals are proposed by the Responsible Care Committee to the CSR Committee chaired by the President and established by its approval to ensure continuous improvement through the operation of the management system.

### (Ensuring Diversity)

Article 7 Nippon Paint Holdings, recognizing that the most important factor in the sustainable creation of corporate value and the implementation of business portfolio management is to strengthen its management foundation and to develop human resources to support it, ensures that competent persons are promoted to the right place regardless of their nationality, sex, or age.

## **Chapter 2 Views on Capital Policy, Shareholders, and the General Shareholders Meeting**

### **(Business Plan)**

Article 8 Nippon Paint Holdings establishes a mid-term business plan, discloses strategies and earnings plans of main businesses on its website, and explains the progress and achievement status of them to shareholders and investors.

### **(Capital Policy)**

#### **Article 9**

1. Nippon Paint Holdings' primary capital policy is to maintain the appropriate levels of growth investments and shareholders' equity based on the belief that sustainable growth is necessary for the continuous growth of the corporate value.
2. Nippon Paint Holdings aims to simultaneously secure both effective use of shareholders' equity and strong financial foundation that enables Nippon Paint Holdings to raise funds for growth investments in a stable manner. To this end, Nippon Paint Holdings strives to improve capital efficiency by establishing the standards to maintain its financial soundness, such as the borrowing limit, and enhancing shareholder returns in a manner that is sustainable over the medium- to long-term period.
3. Nippon Paint Holdings ensures that appropriate indicators of capital efficiency are selected in view of the financial environment of Nippon Paint Holdings and market trends and explains them to our shareholders and investors in a manner that is easy to understand.

### **(Cross-Shareholding Policy, Views on the Exercise of Voting Rights Pertaining to Shares Held as Part of Cross-Shareholdings)**

#### **Article 10**

1. Nippon Paint Holdings holds shares of other listed companies as cross-shareholdings if it is determined to be reasonable in consideration of, among others, the necessity of it for business activities (e.g., to maintain and strengthen the relationship with the business partners) and the status of the issuer. Nippon Paint Holdings, based on this policy, regularly examines the reasonableness of such a cross-shareholding at its board meetings to determine whether to continue to hold such shares.
2. Nippon Paint Holdings, based on the policy referred to in the preceding paragraph, exercises voting rights pertaining to such shares based on a comprehensive judgment, taking into consideration, among others, the opportunity for medium- to long-term increases in the corporate value of the investee in the cross-shareholding and the effect of such exercise on the Nippon Paint Group.

(General Shareholders Meeting, Voting Rights, etc.)

Article 11

1. Nippon Paint Holdings sets the date of a general shareholders meeting appropriately to ensure that shareholders can attend the general shareholders meeting after giving sufficient consideration to the proposals and can also exercise their voting rights before the date of the general shareholders meeting.  
Nippon Paint Holdings works on the improvement of the environment for exercise of voting rights including the publication of the convening notice on the Tokyo Stock Exchange's Timely Disclosure Network ("TDnet") and the website of the Nippon Paint Holdings before it is sent, the provision of information in English, and the use of the Electronic Voting Platform.
2. If Nippon Paint Holdings has had 20% or more votes against any of its proposals, it ensures that the shareholders' intention is reported to the board through the analysis of the cause of such negative votes at a board meeting following the general shareholders meeting and appropriate responses are made going forwards.
3. Nippon Paint Holdings respects the intention of such shareholders as minority shareholders and foreign shareholders, who may often find it difficult to exercise their rights and will not prevent them from exercising those shareholder rights that are granted also to minority shareholders by the Companies Act, such as the right to inspect the shareholder registry and other documents and the right to make a proposal at a general shareholders meeting.
4. Nippon Paint Holdings regards those whose name is recorded in the shareholder registry to have voting rights at the general shareholders meeting. However, upon receipt of a request for attendance from a beneficial shareholder who owns shares under the name of, for example, a trust bank, Nippon Paint Holdings will permit the shareholder to attend the general shareholders meeting (including the attendance as an observer) after conducting a reasonable identity confirmation of the shareholder.

(Anti-Takeover Measures)

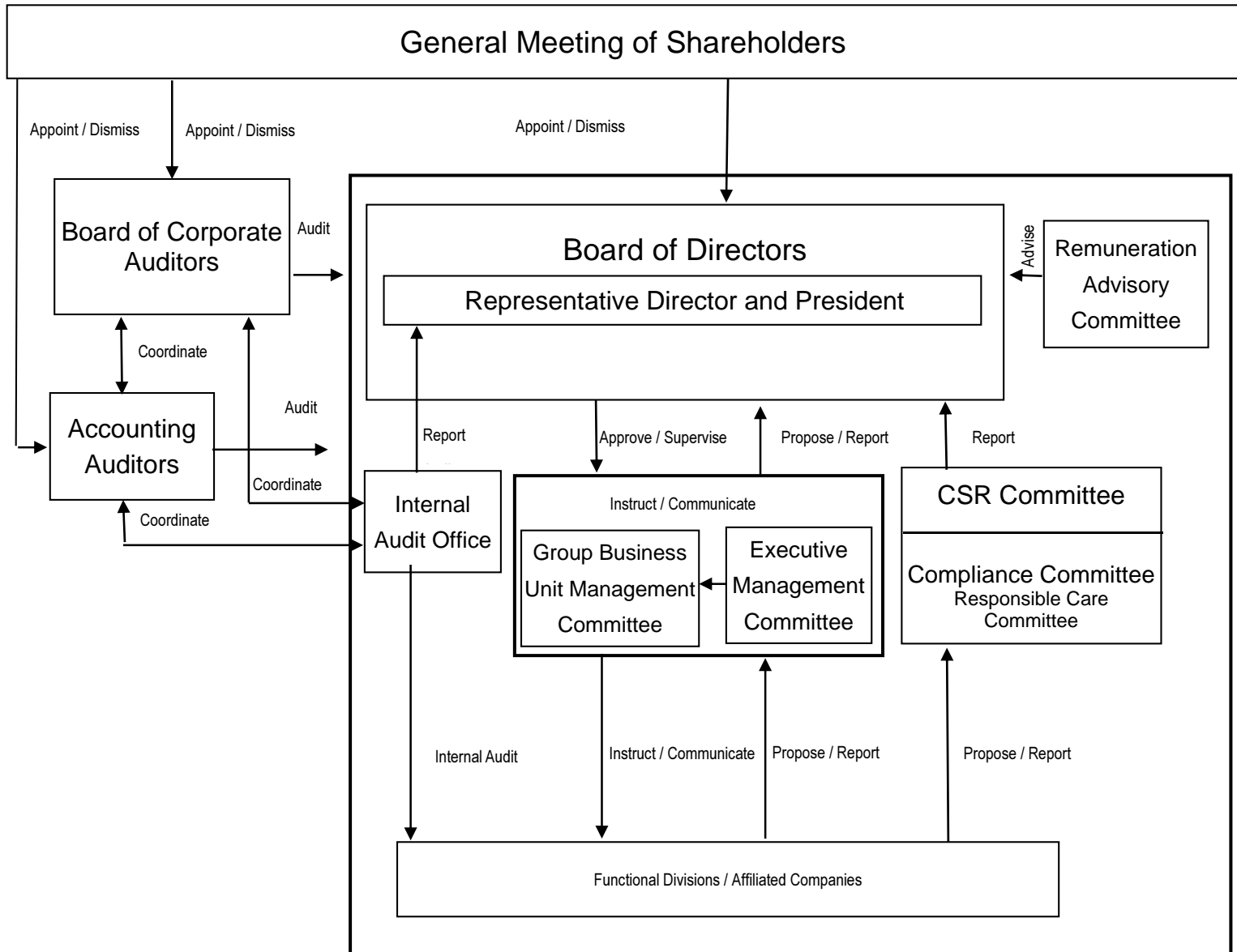
Article 12

1. In adopting, renewing (effective period: 3 years), and operating anti-takeover measures, Nippon Paint Holdings will constantly examine their necessity and rationale and secure a due procedure to exclude any arbitrary countermeasures that could be taken by the board of directors. In addition, Nippon Paint Holdings will explain to the shareholders sufficiently that the purpose of the anti-takeover measures is not the entrenchment of the board, but the protection and enhancement of the common interest of shareholders.
2. Nippon Paint Holdings will make a decision on, for example, a capital policy that will cause a significant dilution based on a careful judgment regarding its necessity and rationale so that the interest of the existing shareholders is not unduly impaired.

## Chapter 3 Corporate Governance Structure

(Structure)

Article 13 Nippon Paint Holdings has elected to be a company with Corporate Auditors and has adopted a corporate officer system. The corporate governance structure of Nippon Paint Holdings is as follows:



(Roles of the Chairperson of the Board)

Article 14 The chairperson of the board of directors is responsible for improving the quality of discussion at board meetings, ensuring the effective and efficient administration of the board, and exercising leadership to ensure that the board will make appropriate and bold decisions.

## (Optional Advisory Bodies)

### Article 15

1. Nippon Paint Holdings will establish, as necessary, an optional advisory committee consisting of more than one director including at least one independent director as an advisory body to the board of directors.
2. The Remuneration Advisory Committee will, at the request of the board of directors, deliberate on the remuneration of directors and corporate officers and advise the board on the deliberation results.

## (Roles and Responsibilities of the Board of Directors)

### Article 16

1. The board of directors should, recognizing its fiduciary responsibility to all stakeholders including shareholders and investors, exercise its authority appropriately and is responsible for realizing sustainable growth and the medium/long-term enhancement of the corporate value of Nippon Paint Holdings.
2. The board of directors is responsible for making major operational decisions and supervising the execution of duties by each director.
3. Nippon Paint Holdings prescribes matters requiring the decision of the board of directors in the Regulations of the Board of Directors. Matters requiring a resolution of the board of directors include the following matters of particular importance:
  - Medium- to long-term and short-term business plans
  - New business plans
  - Appointment of a member of the management, nomination of a candidate for a director or corporate auditor, and other important personnel affairs
  - Large capital investments, contracts for the acquisition or transfer of a business or a company split, and matters concerning the financing and investment of funds
  - Establishment and amendment of the Corporate Governance Policy of the Nippon Paint Group and matters concerning the supervision of the operation status of internal controls and the supervision of conflict of interest transactions
4. Nippon Paint Holdings delegates to its corporate officers the execution of business plans, matters not requiring a resolution of the board, and decisions on the execution of daily business operations.

## (Views on Related Party Transactions)

### Article 17

1. Nippon Paint Holdings reports to the board of directors and discloses in the “convening notice for general shareholder meeting” and the “annual securities report” related party transactions, such as significant transactions between Nippon Paint Holdings and major shareholders, director’s transactions competing against the interest of Nippon Paint Holdings, transactions with Nippon Paint Holdings for the interest of a director himself/herself, and conflict of interest transactions, within the scope of disclosure required by the Companies Act and applicable accounting standards (limited to important transactions exceeding a certain monetary threshold).

2. When Nippon Paint Holdings intends to carry out a related party transaction, Nippon Paint Holdings will make a comprehensive judgment regarding the reasonableness of the transaction taking into consideration its terms and condition, profit and cost levels, etc., to ensure that the transaction will not harm the interests of Nippon Paint Holdings or the common interests of its shareholders and obtain the approval of the board of directors.

(Composition of the Board of Directors)

Article 18 The board of directors of Nippon Paint Holdings consists of 10 or less directors as prescribed by the articles of incorporation. The board consists of executive directors, independent directors, and non-executive directors, who are selected from Japan and foreign countries as well as from inside and outside the Nippon Paint Group. The independent directors to be appointed should satisfy the “Independence Criteria for Outside Directors/Corporate Auditors” (Appendix) established by the board of directors of Nippon Paint Holdings to further promote active discussion at board meetings and to increase the corporate value/shareholder value of Nippon Paint Holdings.

(Director and Corporate Auditor Nomination Policy and Procedure)

Article 19 The board of directors shall nominate candidates for directors and corporate auditors among those who have a wide variety of experience, deep insight, strong expertise, etc., that are adequate for a director/corporate auditor and can contribute to the sustainable growth and the medium/long-term enhancement of the corporate value of the Nippon Paint Group from Japan and foreign countries as well as from inside and outside the Nippon Paint Group. Based on the policy above, candidates for directors and corporate auditors shall be nominated by the board of directors after deliberation at a board meeting attended by independent directors and independent corporate auditors.

(Appointment of the Representative Director and President)

Article 20 The board of directors shall, in accordance with the successor plan and based, in principle, on the proposal by the Representative Director and President, appoint as the Representative Director and President, who functions as the Chief Executive Officer, a person who can realize the Nippon Paint Group Vision after deliberation at a board meeting attended by independent directors and independent corporate auditors.

(Successor Plan for the Representative Director and President)

Article 21 The board of directors shall establish a successor plan and provide appropriate supervision of the successor candidates based on the successor plan through, among others, the administration of an executive development program based on the selection system and the promotion to important executive positions such as the management at companies within Nippon Paint Group .

(Independence Standards and Qualification for Independent Directors/Corporate Auditors)

Article 22 Outside directors and outside corporate auditors shall be appointed based on the “Independence Criteria for Outside Directors/Corporate Auditors” (Appendix) established by the board of directors of Nippon Paint Holdings.

(Measures to Improve the Effectiveness of the Board)

Article 23 The board of directors shall take the following measures to improve its effectiveness:

1. Support system including board meeting operation and agenda setting
  - Nippon Paint Holdings will strive to put in place an environment that encourages lively discussion to ensure that discussions at the monthly board meetings are rewarding. For example, Nippon Paint Holdings will notify board meeting agenda and deliver materials related to them to directors and corporate auditors in advance in addition to the provision of prior explanation to outside directors and outside corporate auditors as necessary.
  - Nippon Paint Holdings will determine the annual board meeting schedule before the commencement of a fiscal year and notify the directors and corporate auditors of it to ensure that they can easily attend the board meetings.
  - Directors and corporate auditors shall request divisions concerned to provide any information and materials necessary for the execution of their duties and these divisions shall provide the requested information as appropriate.
  - Nippon Paint Holdings will secure budget that is determined to be necessary for the execution of duties by the directors and corporate auditors.
2. Serving also as an director or corporate auditor of another listed company

Outside directors and outside corporate auditors may concurrently serve as a director or corporate auditor of a listed Nippon Paint Holdings other than Nippon Paint Holdings only to a reasonable extent that permits them to secure time and energy necessary for the execution of their duties at Nippon Paint Holdings. If they receive a new request from another company to serve as its director or corporate auditor, they shall notify the board of directors to that effect.

The status of significant concurrent positions held by outside directors outside corporate auditors including positions as an director or corporate auditor of another listed company shall be disclosed each year in the “convening notice for general shareholders meeting” and the “annual securities report.”

(Evaluation of the Board)

Article 24 Nippon Paint Holdings will conduct an annual analysis and evaluation on the effectiveness of the board of directors designed to make the board aware of specific issues and to resolve them and will thereby improve the effectiveness of corporate governance. Nippon Paint Holdings will also disclose the summary results of the analysis and evaluation in its corporate governance report.



(Composition of the Board of Corporate Auditors)

Article 25 The board of corporate auditors consists of five or less corporate auditors as appropriate as prescribed by the articles of incorporation. Certified public accountants, lawyers, and other experts who have strong expertise in the fields of finance/accounting and compliance/risk management shall be appointed as corporate auditors in a manner to result in a well-balanced composition of members of the board of corporate auditors without any concentration in one particular area of expertise. A majority of corporate auditors shall be independent corporate auditors satisfying the “Independence Criteria for Outside Directors/Corporate Auditors” (Appendix) established by the board of directors of Nippon Paint Holdings.

(Audit Effectiveness and Coordination with Outside Directors/Internal Audit Division/Accounting Auditors)

Article 26

1. Corporate auditors and the board of corporate auditors shall, through the attendance to operational audits, accounting audits, board meetings, etc., actively provide opinions and advice to help the Nippon Paint Group to achieve sustainable growth and the medium/long-term enhancement of the corporate value.
2. The board of corporate auditors shall strive to secure an adequate audit schedule and structure in coordination with divisions concerned as well as to ensure that audits are properly conducted by the accounting auditors. The board of directors shall give due consideration to the audit schedule proposed by the board of corporate auditors.
3. The following measures shall be taken to improve the effectiveness of audits:
  - “Three-way audit meetings” and “consultation meetings with the accounting auditor and corporate auditors,” which are attended by corporate auditors, the accounting auditor, and members of the Internal Audit Office, shall be held on a regular basis to share information and exchange opinions on their audit plans and results, issues identified through different audits, etc., among the attendants.
  - The accounting auditors shall have an interview with the Representative Director and President and the director in charge of finance each year and report its outline at a “three-way audit meeting.”
  - Outside corporate auditors shall, based on their respective professional experience and knowledge, and full-time corporate auditors shall, based on their extensive internal experience and information, share information and exchange opinions. Meetings attended by the representative directors and corporate auditors shall be held regularly, four times each year, for information gathering and exchange of opinions that are sufficient for them to execute their duties.
4. Independent directors may, subject to the approval of the board of corporate auditors, attend a “three-way audit meeting” or attend a board of corporate auditors meeting as an observer, if necessary.
5. The board of corporate auditors shall prescribe, in the “Corporate Auditor Audit Standards” and the “Standards for the Administration of Consultation Meetings with the Accounting Auditors and Corporate Auditors,” their responses to cases in which they have received a report from the accounting auditors to the effect that there has been a fraud or a significant violation of laws and regulations or the articles of incorporation in relation to the execution of duties by a director.

(Evaluation and Appointment of the Accounting Auditors)

Article 27

1. The board of corporate auditors shall establish the “Aptitude Evaluation Standards for Accounting Auditors” and prescribe the standards for the independence and expertise of accounting auditors within these Standards.
2. The board of corporate auditors shall evaluate accounting auditors based on the standards referred to in the preceding paragraph and decide whether to appoint or dismiss accounting auditors.
3. When an accounting auditor needs to be appointed, the board of corporate auditors shall evaluate an accounting auditor candidate based on the standards referred to in Paragraph 1 and decide whether to appoint the candidate as the accounting auditor.

(Method of Determining the Remuneration of Directors and its Breakdown)

Article 28

1. Nippon Paint Holdings establishes the Remuneration Advisory Committee consisting of an outside director or outside corporate auditor and a few other directors as an advisory body to the board of directors. The Committee shall deliberate on the remuneration of directors and corporate officers, etc. and the board of directors shall determine the remuneration, etc. based on the deliberation results of the Committee.
2. The remuneration of the directors of Nippon Paint Holdings (excluding outside directors) shall consist of job-based remuneration, performance-linked remuneration, and long-term incentive remuneration. The remuneration of outside directors shall consist only of job-based remuneration.
3. Performance-based remuneration is a fixed-amount remuneration determined for each role/responsibility and position while performance-linked remuneration changes in accordance with consolidated financial results and the financial results of each division or business company that one oversees. Long-term incentive remuneration is provided in the form of stock compensation type stock options, which are granted to each director based on the amount determined for each position.
4. The outline of the operation status of the remuneration system, such as the specific breakdown of remuneration into job-based remuneration, performance-linked remuneration, and long-term incentive remuneration, will be disclosed in the “annual securities report” and elsewhere.

(Training Policy for Directors and Corporate Auditors)

- Article 29 Nippon Paint Holdings will provide training for newly appointed outside directors and outside corporate auditors to learn about the organization, business, business category, etc., of Nippon Paint Holdings upon their assumption of office. Nippon Paint Holdings will also provide training for all directors and corporate auditors on such topics as necessary legal knowledge and corporate governance every year on an ongoing basis.

(Whistleblowing)

Article 30

1. Nippon Paint Holdings will establish points of contact for whistleblowing both internally and externally (law firm) and put in place a program through which officers and employees of the Nippon Paint Group can report any actual or potential compliance violation within the Nippon Paint Group that they may find without receiving any disadvantage.
2. If directors, officers or employees of the Nippon Paint Group have come to know of a fact that may cause a significant damage to the Nippon Paint Group, such as a violation of laws and regulations or the occurrence of a serious accident, they shall promptly report it to a corporate auditor of Nippon Paint Holdings.
3. The Compliance Committee, which has been delegated the authority by the board of directors, shall conduct the confirmation of the operation status of the whistleblowing framework at Nippon Paint Holdings and report the result to the board of directors as necessary.

## **Chapter 4      Information Disclosure and Dialogue**

(Information Disclosure)

Article 31

1. Nippon Paint Holdings will, in accordance with the “Disclosure Policy” published in the website of Nippon Paint Holdings and based on the principles of transparency, fairness, and consistency, strive to provide information promptly to all stakeholders including shareholders and investors so that they can understand the management philosophy, management strategies, business activities, etc., of Nippon Paint Holdings, through which we aim to gain a fair evaluation of the corporate value of Nippon Paint Holdings and trust from the stakeholders.
2. Nippon Paint Holdings will, in accordance with the timely disclosure rules prescribed by securities exchanges, disclose information on a timely basis through TDnet and also disclose the same information promptly in the website of Nippon Paint Holdings. Nippon Paint Holdings will also actively disclose any information that is judged by Nippon Paint Holdings to be useful for all stakeholders for them to better understand Nippon Paint Holdings.
3. Nippon Paint Holdings will designate a certain period immediately preceding the announcements of earnings results as a “quiet period,” during which it will refrain from replying to any questions or comments on earnings results in order to prevent the leakage of earnings result information and ensure fairness.
4. The Nippon Paint Holdings will strive to disclose information also in English from the perspective of fairness.

(Basic Policy on Dialogue with Shareholders)

Article 32

1. Nippon Paint Holdings will promote investor relations and shareholder relations activities led by the representative director and other management members to support sustainable growth and medium/long-term enhancement of the corporate value. Nippon Paint Holdings will also strive to grasp its shareholder ownership structure to have constructive dialogue with them. In having such dialogue, Nippon Paint Holdings will pay close attention to any possibility of a leakage of insider information.
2. Nippon Paint Holdings will designate an officer/officers who will supervise such dialogue and the designated officer/officers shall ensure an organic coordination between divisions that support the dialogue. The officer/officers shall also report the opinions of shareholders expressed in the course of the dialogue regularly to the board of directors and ensure that useful comments will be reflected in the management.

### **Supplementary Provisions**

(Periodic Review and Amendment)

- Article 1 The content of this Policy shall be reviewed periodically and amended by a resolution of the board of directors as appropriate. However, an insignificant amendment may be effected by the corporate officer in charge of the Corporate Administration Division.

(Exceptional Treatment)

- Article 2 Any exceptional treatment that is inconsistent with this Policy shall be subject to a resolution of the board of directors and the consent of the board of corporate auditors.

Established on November 20, 2015

## Appendix

### <Independence Criteria for Outside Directors/Corporate Auditors>

1. Nippon Paint Holdings will determine that outside directors and outside corporate auditors (hereinafter collectively referred to as “Outside Directors/Corporate Auditors”) or candidates for Outside Directors/Corporate Auditors 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 ex-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 (See 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 (See Note 6) of money, etc. from the Nippon Paint Group, in addition to remuneration of directors or corporate auditors
    - 6) An executive of an organization that receives a significant amount (See 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/corporate auditors shall strive to maintain the independence prescribed by these Independence Criteria until the resignation from office. If an independent director/corporate auditor 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.