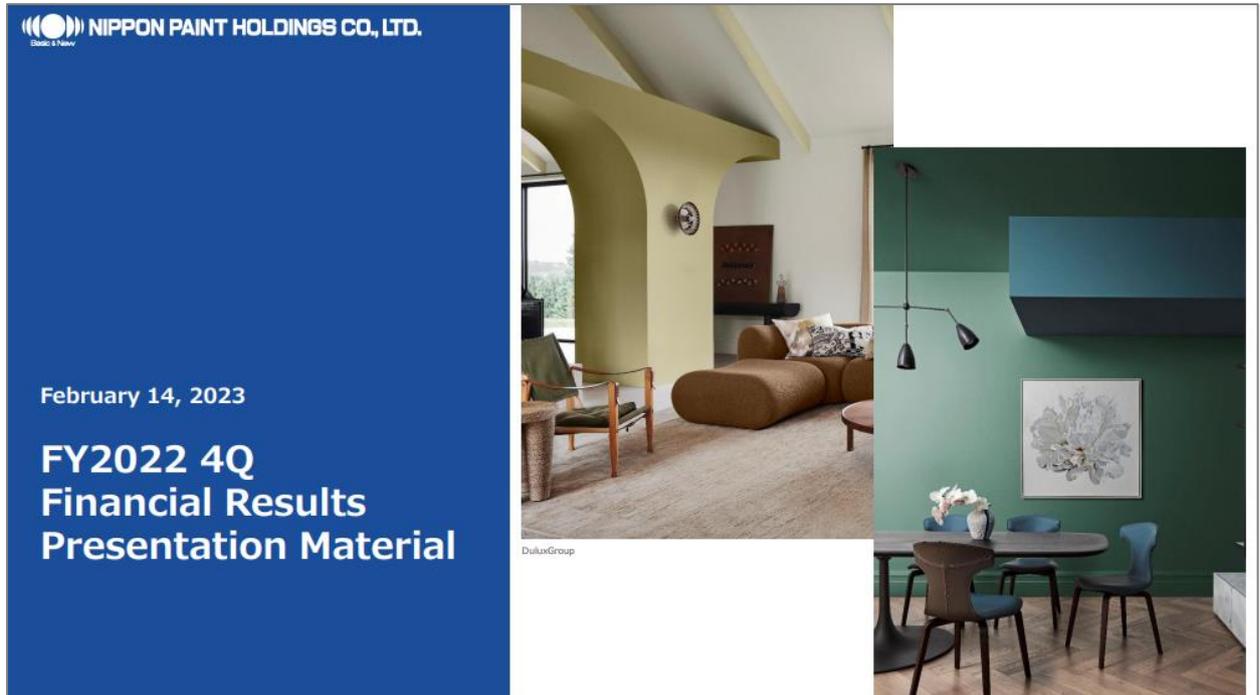


FY2022 4Q Financial Results Conference Call Presentation Summary February 14, 2023



Good afternoon, everyone. I'm Yuichiro Wakatsuki, Co-President of Nippon Paint Holdings.

Thank you very much for taking the time to participate in our conference call regarding financial results for the 4Q and full year FY2022 and the forecast for FY2023.

Press reporters are joining investors and analysts today, and our earnings calls for the full year and six month period will be held this way starting this year.

1. Summary: FY2022 4Q Operating Results

FY2022 4Q ^{*1}		
 (Tanshin)		
(Billion yen)	Results	YoY
Revenue	329.1	+25.6%
OP	29.5	+36.8%
OP margin	8.9%	+0.7pt
(Non-GAAP)		
(Billion yen)	Results	YoY
Revenue	292.9	+11.7%
OP	31.3	+49.9%
OP margin	10.7%	+2.7pt

Revenue YoY analysis	Paint and Coatings Business			Paint Related Business	FX	New consolidation
	Volumes	Price/Mix	Paint (others) ^{*4}			
	c. -2%	c. +9%	c. +3%			

◆ Tanshin	
• Higher revenue driven by pricing flow through in decorative business, new consolidation of Cromology and JUB, and FX	
• Gross profit margin improved YoY and QoQ for two consecutive quarters due to improved RMCC ^{*2} ratio	
• Hyperinflation accounting applied following rapid price inflation in Türkiye, resulting in 4Q revenue down by c. ^{*3} ¥2.1 bn and OP by c. ¥1.9 bn	
• Special retirement benefit and other expenses totaling c. ¥2.2 bn recorded related to Next Career Plan	
• Higher OP on higher revenue and gross profit, despite the above one-off expenses	
• No additional credit loss provision recorded in China Project, but loss on equity method affiliate recorded at a Chinese joint venture, resulting in ¥1.9 bn loss on equity method investment recorded on a consolidated basis	

◆ Non-GAAP	
• In Chinese decorative business, DIY revenue down 4% YoY due to impact from the higher COVID cases in 4Q which temper economic activity following the wider relaxation of lockdown measures in December. Project revenue down 22% YoY due to the continuing soft real estate market environment	
• Decorative revenue increased in all regions except China and Americas driven by pricing flow through	
• Automotive revenue increased in all regions due partly to auto production recovery from slump in 2021	

◆ Others	
• All listing criteria for TSE Prime market, including liquidity ratio, have been satisfied as of Dec. 31, 2022	

^{*1} The earnings for 4Q and full-year 2022 have been adjusted retrospectively following the change in reportable segments beginning with 1Q 2022. The same adjustments are made throughout this presentation
^{*2} Raw Material Cost Contribution ^{*3} circa: approximately
^{*4} Products included in the Paint and Coatings Business with unit prices and volumes significantly different from paint products, such as semi-finished products and fine chemicals, are disclosed separately from volumes and price/mix in the above graph to provide more reasonable data

I would like to begin by summarizing the financial results for the 4Q of FY2022.

Revenue increased by 25.6% YoY on a Tanshin basis to ¥329.1 bn and operating profit rose by 36.8% YoY to ¥29.5 bn, which is a significant growth in both revenue and operating profit. The breakdown of revenue growth is shown on the bottom of page 3 of the presentation. Volumes in the decorative business declined while price/mix, paint-related business, FX and new consolidation made positive revenue contributions. Operating profit improved due to the flow through of price increases with the impact of raw material inflation easing. Demand is seasonally weak in the 4Q. Besides, the market environment was very challenging in China and we recorded net one-off expenses of c.¥2.4 bn, including expenses related to the Next Career Plan in Japan. After taking these challenges into consideration, I believe we performed very well in every region.

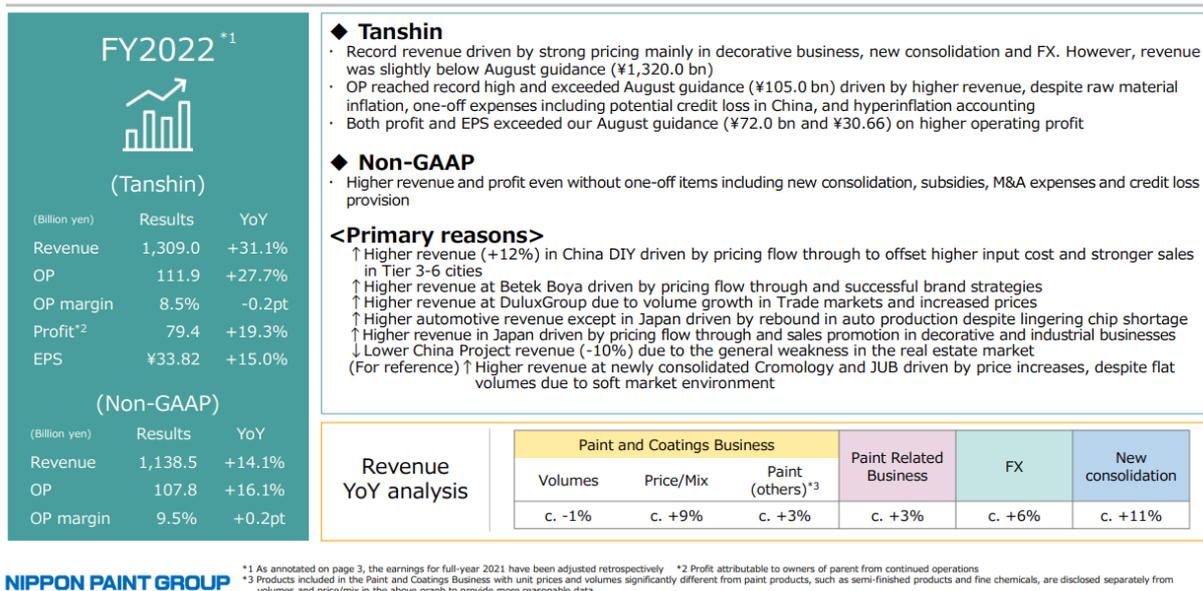
We did not record any additional credit loss provision related to the Chinese Project segment. However, we recorded additional credit loss provisions at Chinese joint ventures related to real estate developers. As a result, there was an equity-method investment loss totaling 1.9 bn yen in the 4Q of FY2022, including profit and loss of other joint ventures.

On a Non-GAAP basis that excludes new consolidations, FX, and one-off expenses, revenue increased by 11.7% and operating profit by 49.9%. The operating profit margin continued to recover, increasing by 2.7 points to 10.7%. In the Chinese decorative paints business, DIY revenue decreased by 4% YoY due to lockdowns associated with the Zero-COVID policy and an upturn in COVID cases in the 4Q that restricted economic activities following the relaxation of lockdowns. Project revenue declined by 22% YoY. The results were higher than our guidance announced at the 3Q announcement in November last year because logistics disruptions that

happened last fall ended faster than expected and Zero-COVID measures were reduced during a seasonally weak demand period.

I'd like to take this opportunity to state that we have satisfied all listing criteria for the TSE Prime Market, including the percentage of tradable stock, which had been a source of concern, as of the record date for listing maintenance screening of December 31, 2022.

2. Summary: FY2022 Operating Results



Next is our full-year results for FY2022.

On a Tanshin basis, both revenue and operating profit increased significantly with net profit growing by almost 20% YoY. Revenue was slightly below our guidance announced in August 2022 but operating profit, net profit and EPS (earnings per share) exceeded the guidance. The annual dividend, which includes the 6 yen dividend for the 2H, was 11 yen per share. The dividend payout ratio was 32.5%. Both revenue and operating profit reached record highs, and net profit was the highest since we started IFRS reporting in the fiscal year ended December 31, 2018.

The main reason for the below-guidance revenue was the Zero-COVID policy in China in the second half of the year, especially in the seasonally strong demand period in China of September and October. Our results in other regions were more or less mixed but were roughly as expected. Operating profit slightly exceeded the guidance due to the overall flow through of prices and moderation in some raw material prices, as well as almost no additional credit loss provision for real estate projects in China. However, earnings were generally in line with our guidance after taking into account the equity-method investment loss.

Our revenue and operating profit also increased on a Non-GAAP basis. Despite the very challenging business environment, our results in FY2022 demonstrated the underlying strength and resilience of our growth model based on strong organic growth and M&A.

3. Summary: FY2023 Forecast

FY2023 Forecast

(Tanshin)

(Billion yen)	Forecast	YoY
Revenue	1,400.0	+7.0%
OP	140.0	+25.1%
OP margin	10.0%	+1.5pt
Profit before tax	134.0	+28.2%
Profit*1	98.0	+23.4%
EPS	¥41.73	+23.4%
Dividends	¥13	+¥2

◆ Summary

- Revenue forecast to grow 7.0% in 2023 to record high driven by pricing flow through in every region and recovery from the pandemic in China and other Asia in decorative business, along with global recovery of automotive market
- RMCC ratio expected to improve overall despite mixed price trends in raw material markets (demand lower in some regions due to economic slowdown but stronger in other regions recovering from the pandemic)
- Expect OP to increase 25.1% to record high due to above factors and absence of one-off expenses in 2022
- Exchange rate assumed to create the 2023 forecast is 1 USD=125 JPY, which is a stronger yen than the prevailing rate, by taking into account uncertainties in the global market
- EPS: ¥41.73 (+23.4% vs. 2022); annual dividends: ¥13 (+¥2 vs. 2022)

◆ Revenue (+7.0% YoY)

- Decorative markets expected to be sluggish in developed countries in 2023 due to economic slowdown, high interest rate environment and inflation. Meanwhile, China TUB*2 market is expected to be flat supported by the government's demand stimulus measures. Decorative business is expected to deliver continuous growth, driven by recovery from the COVID in China TUC*2 and other Asia, coupled with pricing flow through in every region
- Automotive business is expected to be impacted by lingering chip shortage but benefit from auto production recovery
- Full contribution of JUB (+5 months of earnings); NPT is not included in FY2023 forecast

◆ Operating Profit (+25.1% YoY)

- c. +¥10.0 bn from absence of one-off expenses in 2022, including potential credit loss in China and special retirement benefit, and one-off income in 2022, including subsidy
- c. -¥3.0 bn assuming stronger yen against major currencies than in 2022
- c. +¥21.0 bn on higher revenue (growth in existing businesses driven by pricing flow through) and improved RMCC ratio

	FY2022 Full Year	FY2023 Full Year Forecast
JPY/USD	132.1	125.0
JPY/RMB	19.5	19.0
JPY/AUD	91.2	90.0
JPY/EUR	138.5	140.7
JPY/TRY	7.1	6.6
JPY/IDR	0.0088	0.0083

NIPPON PAINT GROUP *1 Profit attributable to owners of parent *2 See page 6 for the definition of TUB and TUC

We expect the business environment to remain uncertain, so the guidance for FY2023 is strictly based on our assumptions at this time. For FY2023, we forecast revenue of 1,400 bn yen, operating profit of 140 bn yen, net profit of 98 bn yen, EPS of 41.73 yen, and annual dividends of 13 yen per share. The dividend payout ratio will remain over 30%.

Although we expect overall market conditions to be difficult, we will pursue steady growth in every region, even regions with limited growth opportunities, through market share gains and full-year contributions of price increases. We assume a stronger yen in FY2023 compared to FY2022, which will negatively affect our yen-based revenue and earnings. Based on our current assumption of no significant M&A activity in FY2023, we project effective revenue growth of around 10% on a constant currency basis.

Our operating profit growth projection is 25%, which is significantly higher than our revenue growth forecast. We expect additions of c.¥21 bn due to revenue growth and a higher operating profit margin, c.¥10 bn net of the absence of one-off expenses such as credit loss provisions in China and the end of subsidies. We assume a stronger yen than in FY2022, which will reduce operating profit by c.¥3 bn. All in all, the net increase in operating profit will be ¥28 bn.

There are four major assumptions underlying our guidance:

1. Raw material prices will remain stable: e.g., crude oil will remain in the \$70-80 range and Japan-produced naphtha around ¥72,000.
2. Exchange rates will be stable; a stronger yen will have a negative impact on a yen-denominated earnings and a weaker yen will have a positive impact.
3. Market conditions will be stable in China following the relaxation of the Zero-COVID policy. Our assumption at this time is that the Chinese market, in particular the market

for TUC (business to general consumers and retail stores, etc.) will be stronger than in FY2022 and the market for TUB (business mainly to project customers and distributors) will be almost flat. January and February are normally a very quiet period due to the Chinese New Year and other seasonal factors. I will give updates on our market outlook for March and beyond or for 2H when appropriate.

4. The automotive market will start recovering despite the lingering impact of chip and parts shortages.

4. Assumptions for FY2023 Forecast (1)

		Revenue		OP margin		Overview
		FY2022 Results (Tanshin/bn yen)	FY2023 Forecast (In LCY ^{*1})	FY2022 Results (Tanshin/%)	FY2023 Forecast (In LCY) ^{*2}	
Japan	Segment total	186.1	c. +5%	2.8%	↑	
	Automotive	35.1	+0~5%			Higher revenue driven by auto production recovery and pricing flow through, despite lingering impact of chip and parts shortages
	Decorative	47.8	+5~10%			Higher revenue outpacing market growth due to the addition of new customers and sales growth by using the digital transformation and to the development and sales growth of high-performance and differentiated products
	Industrial	40.0	+5~10%			Higher revenue driven by many actions to increase market share and prices despite limited prospects for a significant recovery of markets because of shortages of parts and other difficulties
Nipsea China	Segment total	450.7	+5~10%	7.8%	↑	
	Decorative (TUC)	374.2 ^{*3}	+10~15%			Expanding penetration into home decoration companies & independent designers by championing and leverage decorative effect paint, Pursuing higher growth and share particularly for Tier 3 to Tier 6 cities
	Decorative (TUB)		+0~5%			Developing and promoting end to end coatings solutions for Project segment, Focusing on larger-scale, high quality, financially stable and profitable customers, Expanding contributions from infrastructure, affordable housing and government related projects
	Automotive	50.1	+10~15%			Expanding Automotive part business and for EV (electric vehicle) key components, Continuing efforts to strengthen relationship and grow business with strategic key accounts

◆ To better reflect our business evolution, we have reorganized our China decorative business into TUC and TUB (based on distribution channels) which will be applied to FY2023 forecast and onwards

- TUC (Trade Use Consumer) : B2C
Business to consumers, DIY business, sales via dealers/distributors and e-commerce to end consumers, etc. (For reference) 2022 vs. 2021: +10%
- TUB (Trade Use Business) : B2B
Business to business transactions direct to Project customers and main contractors, etc. (For reference) 2022 vs. 2021: -14%
- Others
Wood coatings, China Hong Kong and China Taiwan businesses, sales of raw materials (For reference) 2022 vs. 2021: +102%

Various assumptions for the FY2023 forecast are explained on page 6 and 7.

We have reported the Chinese decorative business under the DIY and Project segments. However, there was a shift in FY2022 in China from products to distribution channels as the basis for the internal management of business operations. As a result, we have decided to report results of operations based on the TUC segment (business to general consumers and retail shops, etc.) and TUB segment (business mainly to project customers and distributors) starting in FY2023 for consistency with the internal management segments. This is based on our ability to provide total solutions to customers, including sales of half-finished goods and adjacencies products, in addition to DIY paints and paints and coatings for project customers.

For your information, YoY revenue growth in FY2022 in terms of TUC, centered on the DIY business, is +10% because of strong DIY revenue growth and TUB revenue decreased 14%. The breakdown among TUC, TUB, and Others is roughly 60%, 30%, and 10%.

4. Assumptions for FY2023 Forecast (2)

		Revenue		OP margin		Overview
		FY2022 Results (Tanshin/bn yen)	FY2023 Forecast (In LCY)	FY2022 Results (Tanshin/%)	FY2023 Forecast (In LCY) ^{*1}	
Nipsea Except China	Segment total	257.8	c. +10%	14.6%	→	
	Malaysia Grp. Singapore Grp. Thailand Grp.		+0~5%		→	Driving solutions and innovative products, Building brand thought leadership amongst consumers and professionals, capitalizing on existing distribution network strength to accelerate adjacencies business expansion and growth
	PT Nipsea (Indonesia)	52.3	c. +15%	31.9%	↘	Expansion and offering new product lines to complete total coating solutions ranging from tools and accessories to Sealant, Adhesive, Filler, Lubricating. Driving color leadership, top of mind and preference among consumers, strengthening existing partnership and continue to grow distribution network
	Betek Boya (Türkiye)	70.5	c. +30%	8.7%	→	Reinforcing brand image and maintaining premium positioning among consumers. Launching innovative ETICS ^{**2} products and services that will differentiate us from competition from quality to application convenience
Dulux Group	Segment total	314.9	+5~10%	9.4%	→	
	DuluxGroup (Oceania)	206.6	+5~10%	12.3%	→	Higher revenue with lower sales volumes in consumer DIY markets partially offset by flow through of pricing and growth in trade DIFM market
	Cromology (Europe)	97.5	+5~10%	4.2%	↗	Higher revenue driven mainly by pricing, despite further softening outlook for European market
	JUB (Europe)	(For reference) 19.9 ^{*3}	+5~10%	(For reference) 4.9%	↗	Higher revenue expected driven mainly by pricing, despite further softening outlook for European market
Americas	Segment total	99.5	+0~5%	8.1% ^{*4}	→	
	Automotive	32.3	+5~10%			Higher revenue due to auto production recovery and flow through of pricing, despite the lingering impact of semiconductor and parts shortages
	Decorative	65.7	c. ±0%			Flat revenue growth due to softening demand because of a slowdown of the US economy, rising interest rates and inflation

Please turn to page 7. In Nipsea Except China, we expect steady growth to continue at PT Nipsea (Indonesia) but factored in the possibility of a slight decrease in the operating profit margin because of higher sales promotion expenses. The overall Nipsea Except China is expected to achieve growth in both revenue and operating profit.

We expect Betek Boya to achieve local-currency growth of around 30%. We assume high inflation to continue and the main growth driver will be price increases rather than volume growth.

5. Raw Material Market Conditions and Our Responses

Pursuing margin improvement through pricing flow through and lowering of RMCC ratio

4Q 2022

- Economic activities slowed down globally due to China's Zero-COVID policy (which has ended) and interest rate hikes in US and Europe to combat inflation
- Crude oil prices in US\$70-80 range, Japan naphtha price has moderated to ¥60,000-70,000 due mainly to yen's appreciation, after peaking at ¥86,000 in 2Q
- In 3Q, raw material suppliers started passing on more of higher costs of non-crude oil and naphtha raw materials (fuel and logistics costs, capex to upgrade aging facilities, etc.), preventing us from benefiting from moderation in crude oil and naphtha prices
- RMCC ratio is declining in other Asia, Türkiye, etc. Gross profit margin improved both YoY and QoQ for two consecutive quarters

◆ Gross profit margin

4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	YoY	QoQ
37.2%	38.0%	36.1%	36.8%	38.3%	+1.1pt	+1.5pt

1Q 2023 and beyond

- Commodity market, including crude oil and naphtha, expected to rebound due to outlook for demand growth following the end of China's Zero-COVID policy
- Crude oil prices expected to remain in US\$70-80 range and naphtha at c. ¥72,000 due to slowdown of US and European economies and yen's appreciation
- Gross profit margin expected to improve YoY driven by pricing actions
- OP margin improvement through pricing actions and lowering of RMCC ratio well within reach over medium and long term

As explained on page 8, we expect raw material prices to be generally stable. If you look at the situation globally, you need to assess the demand outlook by taking into account soft demand globally caused by economic slowdowns and the possibility of demand growth in China due to end of most Zero-COVID restrictions. We expect a margin improvement in FY2023 because of the full-year benefits from price increases and declines in prices of some raw materials compared to FY2022. We assume that our gross profit margin will increase gradually after reaching the lowest point in the 2Q of FY2022.

7. Summary of Operating Results in Major Segments

(Billion yen)		Tanshin		Non-GAAP		Overview	
		4Q 2022	YoY	4Q 2022	YoY		
Japan	Revenue	51.3	+13.7%	50.8	+12.5%	▶Decorative	Higher revenue due to successful sales promotion activities, such as customer campaigns and rebranding of flagship products
	OP	1.0	-24.7%	3.1	+134.1%	▶Automotive	Higher revenue driven by auto production rebound from 2021, despite chip shortage *Expenses related to the Japan-focused functional company (NPCS ¹) are allocated to the Japan segment beginning with 1Q 2022 (These expenses for 2021 are included in Adjustments)
Nipsea China	Revenue	102.2	+6.4%	93.2	-3.1%	▶Decorative (DIY)	DIY revenue down 4% YoY due to impact from the higher COVID cases in Q4 which temper economic activity following the wider relaxation of lockdown measures in Dec
	OP	9.7	+5.1%	8.4	+5.5%	▶Decorative (Project)	Project revenue down 22% YoY due to the continuing soft real estate market environment and lackluster new construction demand
Nipsea Except China	Revenue	67.4	+25.8%	77.8	+45.2%	▶Automotive	Higher revenue due to higher automobile production driven by automobile production recovery and improving supply chain conditions (chip shortage)
	OP	12.9	+24.6%	13.8	+33.4%	▶Nipsea Except China	Higher revenue (+45.2%) overall with revenue growth in Malaysia Gr. and Singapore Gr. driven by flow through of price increases and revenue growth in Thailand Gr. due to rebound in automobile production from previous year and higher shares with automotive OEM customers and parts suppliers
Dulux Group	Revenue	83.3	+71.9%	50.8	+4.9%	▶PT Nipsea	Higher revenue due to flow through of selling price increases, expansion of distribution network, increase of distributors, more CCM ² installed, and sales growth of industrial business
	OP	5.8	+99.5%	6.2	+87.8%	▶Betek Boya	Higher revenue due to selling price increases and successful implementation of brand strategy
Americas	Revenue	24.9	+32.5%	20.2	+7.5%	▶DuluxGroup (Decorative)	Higher revenue due to pricing actions to respond to raw material inflation, with volumes lower due to Retail DIY market decline (ongoing correction from COVID enhanced peak)
	OP	0.8	-	0.6	-	▶Cromology	Revenue higher with pricing actions to respond to raw material inflation offsetting lower volumes in France business reflecting softening market conditions
Adjustments	Revenue	-	-	-	-	▶JUB	Higher revenue with pricing actions to respond to raw material inflation with flat volumes due to softening market conditions
	OP	-0.8	-	-0.8	-	▶Decorative	Flat revenue despite pricing actions, due to lower volumes because of slowdown in US economy, interest rate hikes and inflation
						▶Automotive	Higher revenue due to auto production rebound from slump previous year, despite chip shortage

NIPPON PAINT GROUP *1 Nippon Paint Corporate Solutions *2 Computerized Colour Matching

10

I will skip page 9 and turn to page 10.

This page summarizes operating results in the 4Q of FY2022 in each major segment. Further analysis of results by segment starts on page 19 and I will answer questions about this subject in the Q&A session. For now, I will explain some key points.

1. In China, as I stated at the earnings call for the 3Q FY2022 in November last year, we had opportunity losses in September and October, a period of strong demand in China, due mainly to logistics disruptions. As a result, overall Nipsea China revenue on a Non-GAAP basis decreased 3.1%. Decorative revenue was down 8.6%. However, Tanshin-base revenue growth was positive due to FX. Even with the current challenging business environment and considering that the 4Q is a seasonally weak period, our 4Q operating profit margin improved YoY. This shows that our performance, including cost controls, was not bad at all. In addition, our Chinese automotive business achieved a greater-than-expected recovery.
2. In the Japan segment, the Non-GAAP base operating profit margin after reversing a special retirement benefit of ¥2.2 bn was 6.1%, which is a recovery from lower margins in the past. The allocation of Nippon Paint Corporate Solutions expenses to the Japan segment, which is an accounting treatment that started in FY2022, was around 0.4 bn yen in 4Q (1.3 bn yen in 3Q). Making an apple-to-apple comparison, operating profit and the operating profit margin improved significantly in FY2022 to ¥3.5 bn and 6.9%, respectively, from operating profit of ¥1.3 bn and an operating profit margin of 2.9% in FY2021. We are aiming to further improve profitability in FY2023.
3. The performance in PT Nipsea (Indonesia) was rather weak in October after a strong performance in September. However, they achieved a recovery that, along with rigorous cost controls, resulted in increases in revenue and earnings.

4. For Betek Boya (Turkey), we continued to use hyperinflation accounting. The application of this accounting method will normally increase revenue and decrease earnings in the local currency. However, revenue decreased because the increase in revenue in the 4Q was offset by the depreciation of lira.
5. On a Non-GAAP basis, which excludes the effects of new consolidations and FX, DuluxGroup in Oceania achieved revenue growth driven by price increases and a big operating profit increase due to cost controls in the 4Q. On the other hand, at Cromology and JUB there was seasonally weak demand in the 4Q due to winter. However, revenue was higher due mainly to pricing actions and operating profit was impacted by one-off expenses related to a new consolidation in 4Q as was in the 3Q. As a result, both Cromology and JUB had a local-currency operating loss in the 4Q but made a contribution to consolidated earnings on a full-year basis.

8. Major Topics ①

Acquisition of NPT (European paint adjacencies manufacturer) by DuluxGroup (announced on Feb. 6)

- Acquiring 51% stake in NPT, an Italy-based manufacturer and distributor of sealants and adhesives with options for the remaining 49% to be either acquired by DuluxGroup or sold by the Seller to DuluxGroup over time
- Leveraging NPT's strong brands, world class technology, extensive distribution network and DuluxGroup's expertise gained through Selseys* brand towards further solidifying our foothold in European SAF market and generating growth opportunities more broadly
- The transaction is targeted to be closed in 1H 2023 and expected to be EPS accretive from Year 1

◇Overview of NPT

- Name: N.P.T. s.r.l.
- Head office: Italy
- Business: Manufacturing and distribution of sealants and adhesives in Italy, as well as exporting of those products to more than 60 countries
- Net sales: c. ¥7.0 bn (FY2021)

Okayama Plant for Automotive Coatings Completed (announced on Feb. 7)

- A plant with emphasis on ESG for even better productivity and safety and energy-efficient, low-carbon manufacturing processes
- Full-scale operations scheduled to start in the fall of 2023

◇Overview of Okayama Plant

- Location: Okayama Prefecture
- Site area: 81,600㎡ • Floor area: 4,700㎡
- Buildings: Factory building, hazardous substance warehouse, business operations building
- Production item: Automotive coatings (topcoat, water-borne primer, and plastic parts paints)
- Production capacity: 4,500t/year
- Investment: 4.4 billion yen



Okayama Plant Factory Building

Major topics are provided starting on page 11.

The acquisition of NPT in Europe by DuluxGroup was announced on February 6. NPT's net sales are around ¥7 bn. The main goal of the acquisition is to capture growth opportunities in the adjacencies arena on a global scale, rather than as part of our European strategy. We expect NPT to contribute to our earnings beginning with the first year after acquisition.

On February 7, the construction of the Okayama Plant was completed in Japan. This next-generation plant will aim for even better productivity and safety and use energy-efficient, low-carbon manufacturing processes. Full-scale operation is scheduled to begin in the fall of this year of afterward. We hope to invite analysts and investors for a tour in the future.

8. Major Topics ②

Nipsea China was granted various awards

- Numerous awards is a testament of the trust that our customers have placed in us. Continue and strive to innovate our products and services as a leading brand bringing value to our consumers

<p>Chnbrand China Net Promoter Score (C-NPS)</p> <p>Wall paint category Wood paint category 1st place (five times)</p> 	<p>People's Daily Online Best Award</p> <p>Selected as influential brand among the nation/ consumers in 2022</p> 	<p>CIAA (Chinese Industry Association for Antimicrobial Materials and Products)</p> <p>Antimicrobial Industry Leading Company Award CIAA Construction Sector Innovative Company</p> 
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Honored by international awards for our innovative and excellent brand works

- Multiple awards from Transform Awards 2022 (Asia and ANZ* regions) organized by Transform Magazine

Asia		ANZ	
Silver	- Best external stakeholder relations during a brand development project	Gold	- Best external stakeholder relations during a brand development project
Bronze	- Best architecture solution - Best internal communications during a brand development project - Best brand evolution (corporate)	Bronze	- Best internal communications during a brand development project
		Highly commended	- Best brand architecture solution



◇ Transform Awards
Transform magazine is the only global magazine to cover rebranding and brand development. The Transform Awards are held annually in London, Dubai, Mumbai, New York, Singapore, Stockholm and Sydney. The Transform Awards recognize best practice in various categories, focusing on strategy, execution, content and evaluation. Transform Awards Asia marked its ninth year and Transform Awards ANZ its third year in 2022.

▶ Transform Awards: <https://www.transformmagazine.net/awards/>

Page 12 has topics on about the recognition of our brand power. On top is our continuous receipt of brand awards in China and on the bottom is our receipt of brand awards in Asia and ANZ.

8. Major Topics ③

Launched monthly internet distribution of a series of governance articles: "Q&A with Independent Director"

- Lead Independent Director Masayoshi Nakamura responds to feedback and questions about governance from investors (updated at the end of each month)

▶ Q&A with Independent Director: <https://www.nipponpaint-holdings.com/en/sustainability/governance/q-and-a/>



Launched internet distribution of a series of governance articles: "Viewpoints of Independent Directors"

- Independent Directors with extensive expertise and skills analyze Nippon Paint's strengths and challenges from their own perspectives and discuss their thoughts about protecting minority shareholders and their commitment to Maximization of Shareholder Value (MSV)(updated from time to time)

▶ Viewpoints of Independent Directors: <https://www.nipponpaint-holdings.com/en/sustainability/governance/directors/>



As shown on page 13, we have launched two series of governance articles featuring Independent Directors with the aim of enhancing the disclosure of governance information. As you may know, the majority of our board members are Independent Directors. The Nominating Committee, Remuneration Committee, and Audit Committees are chaired by Independent Directors. In addition, the Board Chair is the Lead Independent Director. We planned these series of articles based on the belief that sharing the thoughts of our Independent Directors is a good way to give investors a better understanding of Nippon Paint. Your requests and feedback will be greatly appreciated.

I have an announcement before proceeding to the Q&A session. This year is the final year of the Medium-Term Plan, and we plan to hold an investor update meeting about the plan on Friday, April 7 at 15:00.

Thank you for your attention.