

Safe People and Operations

Managing significant safety and health risks effectively to ensure the protection of our people, operations, and communities is a key imperative and priority for the organization. Given the high-consequence disaster and fatality risks associated with our operating plants in particular, this is a material sustainability impact for Nippon Paint Group and a critical focus to ensure our maximization of shareholder value.

| Our approach to achieving MSV

During 2022 each PCG has continued to make progress on their individual improvement priorities for safe people and operations, including both high-consequence risks and everyday injury risks. This has been supported by the newly established Environment and Safety working group comprising senior environment and safety leaders from each PCG, that has focused on benchmarking, sharing best practice, and agreeing common metrics to improve monitoring of performance progress for significant safety and health risks. Full implementation of these metrics across all PCGs will take some time and they are primarily focused on improved understanding and oversight of high-consequence risk management, including process safety events (e.g. flammable solvent losses of containment) and high potential incidents (e.g. serious near misses involving fatality risks). Improving high-consequence risk management effectiveness will be the primary focus of the working group in the coming year.

| Group policy

There are significant safety and health risks in our business that could impact our people, supply chain, and communities. We will work to manage these risks effectively and prevent harm, with a priority focus on high-consequence risks.

| Risks & opportunities

The key risks and opportunities associated with safe people and operations are summarized in the table of materiality page (Sustainability as the Prerequisite for MSV P41). While these are largely common across the consolidated group, individual PCGs do have different focus areas and action priorities that reflect the local maturity of their safety and health risk management improvement journeys.

| Improvement & performance

There were no fatalities across the group during the year, which is a pleasing outcome given the

occurrence of two fatality events in NIPSEA Group in the prior year.

Three fatalities were previously reported for 2021, but it has since been confirmed that one of these was a non-work related, commuting event.

The recordable case rate for employees and contractors decreased 1% to 0.90 recordable injuries and illnesses per 200,000 hours worked, while the lost workday case rate for employees and contractors increased 31% to 0.50 lost time injuries and illnesses per 200,000 hours worked. These changes were primarily associated with the first-time inclusion of the recently acquired Cromology and JUB businesses within DuluxGroup. Performance across the other PCGs either improved or showed minor variation versus the prior year.

The 2022 performance and changes versus the prior year for individual PCGs are summarized in the following table, together with the key improvement priorities for the year.

Performance by Partner Company Group (PCG)

PCG	Fatalities	Recordable case rate (per 200,000 hours)	Lost workday case rate (per 200,000 hours)	2022 improvement drivers & priorities
NIPSEA Group	0 (-2)	0.42 (-4%)	0.22 (+5%)	· Key focus on traffic accidents for safety training and improvement activities.
DuluxGroup (Pacific)	0 (0)	1.50 (+3%)	0.80 (0%)	· Completed new Periodic Hazard Studies at three process safety factories and implemented improvement actions.
DuluxGroup (Europe)*	0	2.25	1.70	· Commenced significant risk audits of major sites and implementation of prioritized actions for high consequence disaster and fatality risks.
Japan Group	0 (0)	0.39 (-33%)	0.08 (-50%)	· Risk assessment review and action implementation, with a focus on the priorities of contact with hot/old objects and falling.
Dunn-Edwards	0 (0)	4.60 (-40%)	2.01 (-20%)	· Comprehensive safety assessments of all Dunn-Edwards properties.

* Businesses were acquired in 2022, hence no prior year comparison is available for performance metrics.