

Growth with Communities

Based on our CSR framework and long-term community engagement strategy, we will build a better community that includes all stakeholders and achieve sustainable business growth.

Our approach to achieving MSV

Since its inception, our Company has been dedicated to creating innovative solutions that bring colors and joy to people's everyday lives. As part of our commitment to sustainable development, the Group strives to support and promote the well-being of communities through our business activities. To achieve this, we have established three priority areas known as the "Three Es" under Nippon Paint Group's global CSR initiative, "Coloring Lives." These areas encompass Education, focusing on nurturing future stakeholders; Empowerment, which involves supporting socially vulnerable individuals through vocational training and identifying talent among younger generations; and Engagement, emphasizing collaboration with local communities and stakeholders. Investing in society presents potential opportunities for the Group, such as increased business prospects in thriving local communities, enhanced employee engagement and commitment to our Group companies, and stronger connections with local communities, all of which contribute to our mission of Maximization of Shareholder Value

(MSV). Conversely, neglecting our obligations to stakeholders poses potential risks. These risks include a loss of trust from local communities, resulting in diminished ability to attract and retain talented employees and reliable business partners, reduced consumer and customer loyalty, and ultimately, a decline in shareholder confidence and the opportunity to fulfill our promise of MSV.

Results of social contribution activities

In FY2022, the Group allocated funds exceeding US\$7.75 million for approximately 448 activities that had a positive impact on the lives of around 10.65 million people worldwide. One notable example is NIPSEA Group's AYDA Awards, an esteemed interior design and architectural competition in

Asia that fosters global stakeholder relationships, promotes sustainable design practices, and encourages collaboration among designers.

Additionally, within Japan Group, we have consistently donated pesticide-free vegetables harvested at Nippe Fun Farm, an establishment that employs individuals with disabilities, to children's cafeterias on a monthly basis for approximately three years. This initiative has garnered local recognition for its support of the Social Welfare Council's efforts.

These initiatives demonstrate the Group's dedication to making a meaningful difference in various communities and exemplify our commitment to fostering sustainable development and social well-being.

Investment in social contribution activities and its results and impacts in FY2022

Country/region	39	
Number of projects	> 448	
Resources input	Money spent on the activities	> USD7.75 million
	Time spent on the activities	> 125,000 hours
	Employees and volunteers who participated in the activities	> 33,000 participants
	Paint used in the activities	> 0.24 million liters
Results and impacts	People impacted	> 10.65 million people

Pillars of social contribution activities and examples of activities

Pillar	Description	Example of activities
Education	Activities for children and students who are our potential future customers or employees	NIPSEA Group: AYDA Awards (An esteemed annual international competition and awards platform specifically designed to nurture architectural and interior design students); DuluxGroup: Design Institute of Australia (Supporting The Australian Interior Design Awards)
Empowerment	Support activities and vocational training for socially vulnerable people, and activities to find talented individuals	Japan Group: Nippe Fun Farm (Employment support for the physically challenged); Dunn-Edwards: Albuquerque Pride Parade Float (Paint donation for the local Pride Parade)
Engagement	Collaborations with local communities and stakeholders, cooperation with NGOs, and disaster relief	Japan Group: Industry-University Collaboration Activities with the University of Tokyo (Collaboration to create innovations for the future society); DuluxGroup (Cromology); UNICEF (Cash donations to help children and families in Ukraine)