

Securities code: 4613
Date of sending by postal mail: June 6, 2025
Start date of measures for electronic provision: May 30, 2025

To our shareholders

33-1 Kanzaki-cho, Amagasaki-shi, Hyogo
(Head Office: 1-13-1 Umeda, Kita-ku, Osaka)
Kansai Paint Co., Ltd.
MORI Kunishi
Representative Director of the Board and President

Notice of the 161st Annual General Meeting of Shareholders

We hereby announce the 161st Annual General Meeting of Shareholders of Kansai Paint Co., Ltd. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 161st Annual General Meeting of Shareholders” on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.

The Company’s website: <https://www.kansai.co.jp/ir/stock/shareholders-meeting/> (in Japanese)

Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

* At the Tokyo Stock Exchange website, enter the issue name (company name) “KANSAI PAINT CO.,LTD.” or securities code “4613,” and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

Website for posted informational materials for the general meeting of shareholders:
<https://d.sokai.jp/4613/teiji/> (in Japanese)

If you do not attend the meeting, you may exercise your voting rights by electronic means or in writing. After reviewing the following reference documents for the general meeting of shareholders, please exercise your voting rights using either of the methods by 5:00 p.m. on Thursday, June 26, 2025.

1. Date and time: Friday, June 27, 2025 at 10:00 a.m. (Registration desk opens at 9:00 a.m.)
2. Venue: HERBIS HALL, HERBIS OSAKA B2F, 2-5-25 Umeda, Kita-ku, Osaka
3. Purpose of the meeting

Matters to be reported	<ol style="list-style-type: none"> 1. Reporting on the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 161st Term (from April 1, 2024 to March 31, 2025) 2. Reporting on audit results of the 161st Term Consolidated Financial Statements by financial auditor and Audit and Supervisory Committee
Matters to be resolved	
Proposal No. 1	Appropriation of Surplus
Proposal No. 2	Election of Seven (7) Directors of the Board (Excluding Directors Who Are Audit and Supervisory Committee Members)
Proposal No. 3	Election of One (1) Substitute Director for a Director Who Is an Audit and Supervisory Committee Member
Proposal No. 4	Partial Revision of the Share-based Remuneration Plan for Directors (Excluding Directors who are Audit and Supervisory Committee Members), etc.

◎ If there are revisions to the matters subject to measures for electronic provision, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's website, the Tokyo Stock Exchange website and the website for posted informational materials for the general meeting of shareholders.

◎ Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 16, Paragraph 2 of the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the documents that are delivered to shareholders who have made a request for delivery of paper-based documents are part of the documents included in the scope of audits by the Audit and Supervisory Committee and the Financial Auditor when they create their respective audit reports.

Part of the "Matters concerning the Current Status of the Corporate Group" in the Business Report, part of the "Matters concerning Share Acquisition rights, etc. of the Company," "Matters concerning the Financial Auditor" and "Company's Structure and Policy," "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements and "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements

- There will be no souvenirs for shareholders attending the meeting. We would appreciate your understanding.

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

It is the basic policy of the Company to make profit distribution according to business performance, taking into account of improving profitability through the reinforcement of the corporate structure and stable and continued dividend payment to its shareholders. The Company will effectively use internal reserves for investment in research and development, development of production and sales systems in Japan and abroad, for the establishment of stable long-term management base and further growth.

Based on the above policy, the Company proposes the appropriation of surplus for the fiscal year under review as follows:

Year-end dividends

- (1) Allotment of dividend property to shareholders and their aggregate amount
¥28 per common share of the Company Total payment: ¥ 4,983,331,612
- (2) Effective date of dividends of surplus
June 30, 2025

Proposal No. 2

Election of Seven (7) Directors of the Board (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all (seven) Directors (excluding Directors who are Audit and Supervisory Committee Members: The same shall apply under this proposal) will expire. In addition, Mr. NISHIBAYASHI Hitoshi resigned on April 11, 2025. Therefore, the Company proposes the election of seven (7) Directors. If this proposal is approved as proposed, the proportion of independent outside Directors on the Board of Directors will continue to exceed one-third.

In addition, we have received an opinion from the Audit and Supervisory Committee that it has no special matter to state.

The candidates for Director are as follows:

Candidate no.	Name	Current position	Attendance at Board of Directors meetings	
1	MORI Kunishi	Representative Director of the Board and President Reelection	16/17	94%
2	TOMIOKA Takashi	Director of the Board and Managing Executive Officer Reelection	13/13	100%
3	TAKATA Yoichi	Managing Executive Officer New election	—	—
4	Pravin D. Chaudhari	Managing Executive Officer New election	—	—
5	OMORI Shinichiro	Outside Director of the Board Reelection Outside Independent	17/17	100%
6	YOMO Yukari	Outside Director of the Board Reelection Outside Independent	13/13	100%
7	Asli M. Colpan	Outside Director of the Board Reelection Outside Independent	13/13	100%

Notes: The number of Board of Directors meetings available for attendance for TOMIOKA Takashi, YOMO Yukari and Asli M. Colpan differs from that of the other Directors of the Board as they assumed office as Directors on June 27, 2024.

(New election) Candidate for Director of the Board to be newly elected

(Reelection) Candidate for Director of the Board to be reelected

(Outside) Candidate for outside Director of the Board

(Independent) Candidate for independent officer

Nomination Policy

Candidates for Director are nominated to achieve a well-balanced Board of Directors with due consideration of gender and international diversity and the insights and capabilities needed to fulfill the duties of the Board of Directors.

In addition, candidates for Outside Directors are nominated from among those with management experience, attorneys at law, accountants, and others who possess high levels of expertise, in addition to a wealth of experience, in accordance with the Company's standards for Director independence.

Nomination Procedures

At the Company, the agenda for the election of candidates for Director is deliberated by the Nomination and Remuneration Committee, which is made up of five Outside Directors, and then decided by the Board of Directors.

Number of the Company's shares owned	12,700
Attendance at Board of Directors meetings	16/17 (94%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Apr. 1981	Joined the Company
June 2010	Director of the Board and Deputy General Manager of the Coatings Business Div.
June 2015	Representative Director of the Board; Managing Executive Officer, in charge of Sales and International Representative Director of the Board, President of Kansai Paint Sales Co., Ltd.
Apr. 2018	Representative Director of the Board; Senior Managing Executive Officer and COO in charge of Sales; General Manager of the Coatings Business Div. of the Company Representative Director of the Board, President, Kansai Paint Sales Co., Ltd.
Apr. 2019	Representative Director of the Board and President of the Company (current position)

Reasons for nomination

MORI Kunishi has a wealth of insight and achievements in the Company's paints and coating business. Since assuming the position of Representative Director of the Board and President of the Company in 2019, he demonstrated strong leadership over two terms for the 16th and 17th Medium-term Management Plans, and drove the Group's management in various ways, including achieving a record business performance in FY2023. Furthermore, he has formulated the Group Vision toward 2030 that "Enrich Lives with Happiness" and the 18th Medium-term Management Plan. On the Board of Directors, he is responsible for appropriate deliberations and supervision of reforms and measures for the Company to work on from the medium- to long-term perspective. Based on his experience and achievements, the Company has determined that MORI Kunishi is the most suitable candidate for the position of Chief Executive Officer to maximize corporate value at the global level by consolidating the collective efforts of the Group as "One Kansai," and has therefore nominated him as a candidate for Director.

Note: There is no special interest between candidate MORI Kunishi and the Company.

Number of the Company's shares owned	7,900
Attendance at Board of Directors meetings	13/13 (100%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Apr. 1996	Joined the Company
Apr. 2019	General Manager of Business Planning Office
Apr. 2020	General Manager of Business Planning Div., Corporate Planning & Finance Unit
July 2020	Deputy General Manager of Corporate Planning & Finance Unit, and General Manager of Business Planning Div., Corporate Planning & Finance Unit
Apr. 2021	Executive Officer, General Manager of Business Planning Unit, Corporate Planning & Finance Div.
June 2024	Director of the Board, Managing Executive Officer, and Chief of Corporate Planning, Finance, HR & Administration
Apr. 2025	Director of the Board, Managing Executive Officer, Chief Financial Officer and Head of Business Unit and Head of Europe Business Segment (current position)

Significant concurrent positions outside the Company

Director of Kansai Paint Sales Co., Ltd.
 Director of the Board of Kansai Helios Coatings GmbH
 Director of the Board of Kansai Nerolac Paints Ltd.
 Director of Kansai Plascon East Africa (Pty) Ltd.
 Director and Chairman of Kansai Plascon Africa Ltd.

Reasons for nomination

TOMIOKA Takashi has mainly worked in sales operations, including automotive paint and coating, since joining the Company. He has a wealth of experience and achievements in the Company's paints and coatings business, including experience working abroad. Moreover, he has led the reform of corporate culture, M&As at the global level and the formulation of the medium-term management plans in the field of business planning since 2019, achieving high results in strengthening the management foundation including the promotion of IR strategy, DX strategy and ESG management. Based on his wealth of experience and achievements, the Company has determined that TOMIOKA Takashi is the most suitable candidate for Director to realize the sustainable enhancement of corporate value and promote changes in deeper layers in the Company as it undergoes a period of the 18th Medium-term Management Plan, and has therefore nominated him as a candidate for Director.

Note: There is no special interest between candidate TOMIOKA Takashi and the Company.

Number of the Company's shares owned	8,700
Attendance at Board of Directors meetings	— / — (—%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Apr. 1989	Joined the Company
Apr. 2020	Deputy General Manager of Automotive Refinish, Decorative and Protective Coatings Business Div.
Apr. 2021	Executive Officer and General Manager of Automotive Refinish, Decorative and Protective Coatings Business Div., Japan Business Segment
Apr. 2023	Executive Officer, Deputy Head of Japan Business Segment, Representative Director of the Board President of Kansai Paint Sales Co., Ltd.
Apr. 2024	Managing Executive Officer, Head of Japan Business Segment, Representative Director of the Board President of Kansai Paint Sales Co., Ltd.
Apr. 2025	Managing Executive Officer, Head of Head Office, Representative Director of the Board President of Kansai Paint Sales Co., Ltd. (current position)

Significant concurrent positions outside the Company

Representative Director of the Board, President of Kansai Paint Sales Co., Ltd.

Reasons for nomination

TAKATA Yoichi has mainly worked in various sales operations in Japan since joining the Company, and has a wealth of experience in supervising Group companies in Japan. In addition, he has shown outstanding skills in managing Group companies in Japan, as well as strengthened profitability by leading reforms of Japan Business as Representative Director of the Board, President of Kansai Paint Sales Co., Ltd. since 2023 and Managing Executive Officer since 2024. Based on his wealth of experience and achievements, the Company has determined that TAKATA Yoichi is the most suitable candidate for Director to improve profitability and efficiency by structural reforms with strong leadership and high management capability under the 18th Medium-term Management Plan, and has therefore nominated him as a candidate for Director.

Note: There is no special interest between candidate TAKATA Yoichi and the Company.

Number of the Company's shares owned	—
Attendance at Board of Directors meetings	—/— (—%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

June 1993	Joined Kansai Nerolac Paints Ltd.
May 2008	Executive Director-Industrial sales, Manufacturing, IR
May 2017	Executive Director-Manufacturing, IR, Technology and M&A
Apr. 2018	CEO – Special Projects, Pidilite Industries Ltd.
Apr. 2023	Executive Officer and Deputy Chief of Corporate Production, Supply Chain Management (SCM), and Procurement of the Company Director of the Board of Kansai Nerolac Paints Ltd.
Apr. 2024	Executive Officer, Head of India business, Deputy Chief of R&D/Procurement Uni of the Company
Apr. 2025	Managing Executive Officer and Chief of Business Unit and India business of the Company President of Kansai Nerolac Paints Ltd. (current position)

Significant concurrent positions outside the Company

President of Kansai Nerolac Paints Ltd.

Reasons for nomination

Pravin D. Chaudhari has worked in management of various departments since joining Kansai Nerolac Paints Ltd., an important overseas subsidiary of the Company, leading the expansion and department of our India business. In addition, as an Executive Officer of the Company since 2023, he has strongly promoted the optimization of management through the overall supply chains by leading procurement activities and development projects in the global fields. Based on his wealth of experience and achievements, the Company has determined that Pravin D. Chaudhari is the most suitable candidate for Director to lead growth of not only India business but also Group companies in the Company as it aims to become a global leader in the BtoB business, and has therefore nominated him as a candidate for Director.

Note: There is no special interest between candidate Pravin D. Chaudhari and the Company.

Number of the Company's shares owned	—
Attendance at Board of Directors meetings	17/17 (100%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Apr. 1978	Joined Hitachi, Ltd.
Apr. 2016	Senior Vice President and Executive Officer
June 2017	Outside Director of Hitachi Capital Corp. (currently Mitsubishi HC Capital Inc.)
June 2017	Director of the Board of Hitachi Chemical Co., Ltd. (currently Resonac Corporation)
June 2019	Chairman of the Board of Hitachi Metals, Ltd. (currently Proterial, Ltd.)
July 2020	Chairman of the Board of Hitachi High-Tech Corporation
Mar. 2022	Outside Director of KOKUYO Co., Ltd. (current position)
June 2022	Outside Director of MACNICA FUJI ELECTRONICS HOLDINGS, INC. (currently MACNICA HOLDINGS, INC.) (current position)
June 2023	Outside Director of the Board of the Company (current position)

Significant concurrent positions outside the Company

Outside Director of KOKUYO Co., Ltd.
Outside Director of MACNICA HOLDINGS, INC.

Reasons for nomination as a candidate for Outside Director of the Board, overview of expected role, and tenure as Director

OMORI Shinichiro has experience and high levels of insight from his many years of involvement in corporate management, as well as achievements in promoting management reforms and governance strengthening. The Company has determined that it would be useful for OMORI Shinichiro to provide advice and monitoring of the Company's management and Board of Directors from an objective and neutral perspective during the period of change when the Company is implementing its medium- and long-term strategies, and has therefore nominated him as a candidate for Outside Director.

At the conclusion of this meeting, his tenure as outside Director of the Company will have been two years.

Note: OMORI Shinichiro is a candidate for outside Director of the Board. There is no special interest between the candidate and the Company.

Number of the Company's shares owned	400
Attendance at Board of Directors meetings	13/13 (100%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Sept. 1987	Joined General Electric Japan Company (currently Japan GE Co., Ltd.)
July 1997	General Manager of Human Resource and General Affairs Dept. of General Electric Capital Car Systems Co., Ltd.
Feb. 2001	Director and General Manager of Human Resources Division of GE Yokogawa Medical Systems Ltd. (currently GE Healthcare Japan Corporation)
Jan. 2003	Executive Officer in charge of Human Resources of AIU Insurance Company (currently AIG General Insurance Company, Ltd.)
Feb. 2006	Senior Management and General Manager of Human Resources Division of Microsoft Co., Ltd. (currently Microsoft Japan Co., Ltd.)
Oct. 2011	Director in charge of Human Resources of GlaxoSmithKline K.K.
Apr. 2012	Director of Japan Association of Corporate Executives (DOYUKAI)
Oct. 2016	Leadership & Organization Development-related advisor (current position)
June 2021	Independent Director of JALUX Inc.
June 2023	Outside Director of JEOL Ltd. (current position)
June 2024	Outside Director of the Board of the Company (current position)

Significant concurrent positions outside the Company

Outside Director of JEOL Ltd.

Reasons for nomination as a candidate for Outside Director of the Board, overview of expected role, and tenure as Director

YOMO Yukari has held a number of key positions in various human resources fields over many years, including foreign-affiliated companies. She has a wealth of experience and highly specialized insight. The Company has determined that it would be useful for the Company if YOMO Yukari provides accurate advice and monitoring from an objective perspective at the Company, which positions human resource strategy as a top priority issue, by utilizing her extensive experience in corporate management as an Outside Director and Director of Japan Association of Corporate Executives (DOYUKAI), and has therefore nominated her as a candidate for Outside Director.

At the conclusion of this meeting, her tenure as outside Director of the Company will have been one year.

Notes: 1. YOMO Yukari's name on the family register is MORI Yukari.

2. YOMO Yukari is a candidate for outside Director. There is no special interest between the candidate and the Company.

Number of the Company's shares owned

—

Attendance at Board of Directors meetings

13/13 (100%)

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Apr. 2008	Program-specific Associate Professor at International Research Center for Japanese Studies, Columbia University
Oct. 2012	Visiting Scholar at Edwin O. Reischauer Institute of Japanese Studies (RIJS), Harvard University
Oct. 2012	Associate Professor at the School of Politics, and Sloan School of Management at Massachusetts Institute of Technology
July 2015	Outside Director of GOURMET KINEYA CO., LTD.
Apr. 2016	Associate Professor at the Graduate School of Economics, Kyoto University
May 2016	Associate Professor at the Graduate School of Management, Kyoto University
Sept. 2016	Visiting Scholar at Harvard Business School
Mar. 2018	Outside Corporate Auditor of Sumitomo Rubber Industries, Ltd. (current position)
Apr. 2018	Professor at the Graduate School of Economics, Kyoto University (current position)
Apr. 2018	Professor at the Graduate School of Management, Kyoto University (current position)
Mar. 2019	Outside Director of Nissha Co., Ltd.
June 2024	Outside Director of the Board of the Company (current position)

Significant concurrent positions outside the Company

Professor at the Graduate School, Kyoto University,
Outside Corporate Auditor of Sumitomo Rubber Industries, Ltd.

Reasons for nomination as a candidate for Outside Director of the Board, overview of expected role, and tenure as Director

Asli M. Colpan has a wealth of research experience and a high level of expertise over many years, mainly in the corporate strategy and corporate governance domains. The Company has determined that it would be useful for Asli M. Colpan to provide monitoring of the overall management of the Company, which is undergoing a period of change, from an objective perspective by utilizing her knowledge and insight gained through her actual involvement in corporate management as an Outside Director and Outside Corporate Auditor, and has therefore nominated her as a candidate for Outside Director.

At the conclusion of this meeting, her tenure as outside Director of the Company will have been one year.

Reasons for judging the candidate capable of appropriately fulfilling duties as outside Director of the Board

Asli M. Colpan has no direct experience of being involved in corporate management other than as an outside officer. However, she has taught business administration as a professor at a graduate school and has sufficient insight to govern corporate management through her expert knowledge and experience, and the Company has therefore determined that she will be able to appropriately perform her duties as an Outside Director.

Note: Asli M. Colpan is a candidate for outside Director of the Board. There is no special interest between the candidate and the Company.

Independence of the candidate for outside Director of the Board

OMORI Shinichiro served as Senior Vice President and Executive Officer of Hitachi, Ltd., a business partner of a Group company. However, the amount of transactions with said business partner in the last fiscal year was less than 0.02% of the Company's consolidated net sales and less than 0.01% of the consolidated net sales of said business partner, and therefore there is no risk of a conflict of interest with general shareholders. In addition, OMORI Shinichiro served as Director of the Board of Hitachi Chemical Co., Ltd. (currently Resonac Corporation). However, the amount of transactions with said business partner in the last fiscal year was less than 0.04% of the Company's consolidated net sales and less than 0.02% of the consolidated net sales of said business partner, and therefore there is no risk of a conflict of interest with general shareholders. Furthermore, OMORI Shinichiro served as Chairman of the Board of Hitachi Metals, Ltd. (currently Proterial, Ltd.). However, the amount of transactions with said business partner in the last fiscal year was less than 0.01% of the Company's consolidated net sales and less than 0.01% of the consolidated net sales of said business partner, and therefore there is no risk of a conflict of interest with general shareholders. There are no business transactions with KOKUYO Co., Ltd. or MACNICA HOLDINGS, INC., where he serves as an Outside Director.

There are no business transactions between the Company and General Electric Japan Company (currently Japan GE Co., Ltd.), General Electric Capital Car Systems Co., Ltd., GE Yokogawa Medical Systems Ltd. (currently GE Healthcare

Japan Corporation), AIU Insurance Company (currently AIG General Insurance Company, Ltd.), Microsoft Co., Ltd. (currently Microsoft Japan Co., Ltd.), or GlaxoSmithKline K.K., where YOMO Yukari served in the past. In addition, YOMO Yukari serves as Outside Director of JEOL Ltd. However, the amount of transactions with said business partner in the last fiscal year was less than 0.01% of the Company's consolidated net sales and less than 0.01% of the consolidated net sales of said business partner, and therefore there is no risk of a conflict of interest with general shareholders.

There are no business transactions between the Company and GOURMET KINEYA CO., LTD. and Nissha Co., Ltd., where Asli M. Colpan served in the past, nor with Sumitomo Rubber Industries, Ltd., where she serves as an Outside Corporate Auditor. In addition, there are no business transactions or donations between the Company and the Graduate School of Kyoto University, where Asli M. Colpan is a professor, and therefore her independence is not affected.

OMORI Shinichiro, YOMO Yukari and Asli M. Colpan satisfy the requirements for independence as provided for by the Tokyo Stock Exchange and the Company's "Standards for Independence of Outside Directors" described on page 23, and the Company has submitted notification to the aforementioned exchange concerning their designation as independent officers.

Limited liability agreements with the candidate for outside Director of the Board

The Company has entered into a limited liability agreement with OMORI Shinichiro. If he is elected and assumes office, the Company plans to renew the agreement with him.

The Company has entered into a limited liability agreement with YOMO Yukari. If she is elected and assumes office, the Company plans to renew the agreement with her.

The Company has entered into a limited liability agreement with Asli M. Colpan. If she is elected and assumes office, the Company plans to renew the agreement with her.

Proposal No. 3

Election of One (1) Substitute Director for a Director Who Is an Audit and Supervisory Committee Member

At the commencement of this meeting, as the validity of the election expires for KURODA Ai, a substitute Director who is an Audit and Supervisory Committee Member, elected at the 160th Annual General Meeting of Shareholders held on June 27, 2024, the Company requests approval for the election of one (1) substitute Director who is an Audit and Supervisory Committee Member again.

The validity of this election can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that it is only in a time before assuming office.

In addition, prior consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for substitute Director for a Director who is an Audit and Supervisory Committee Member is as follows:

KURODA Ai (Date of birth: October 14, 1966)

Outside

Number of the Company's shares owned –

Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)

Apr. 1995	Registered as an attorney at law (Osaka Bar Association)
June 2017	External Audit & Supervisory Board Member of Kamigumi Co., Ltd. (current position)
July 2021	Established Ai Kuroda Law Office (current position)

Significant concurrent positions outside the Company

Attorney at law and External Audit & Supervisory Board Member of Kamigumi Co., Ltd.

Reasons for nomination as a candidate for substitute Director for a Director who is an Audit and Supervisory Committee Member, and overview of expected role

KURODA Ai has expertise in the legal field based on her many years of experience as an attorney at law. She also has achievements in auditing corporate management as an External Audit & Supervisory Board Member. The Company has determined that she will be able to use her wealth of experience to play an appropriate role in strengthening the governance of the Group, including legal affairs and compliance, and has therefore nominated her as a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member.

Reasons for judging the candidate capable of appropriately fulfilling duties as Outside Director who is an Audit and Supervisory Committee Member

KURODA Ai has no direct experience of being involved in corporate management other than as an outside officer. However, she has sufficient insight to govern corporate management through her expert knowledge and experience as an attorney at law, and the Company has therefore proposed her as a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member.

Independence of the candidate for substitute Outside Director for who is an Audit and Supervisory Committee Member

There are no business transactions between the Company and the law firm to which KURODA Ai belongs, nor are there business transactions between the Company and Kamigumi Co., Ltd., where she serves as an External Audit & Supervisory Board Member. In addition, if KURODA Ai assumes office as an outside Director who is an Audit and Supervisory Committee Member, she satisfies the requirements for independence as provided for by the Tokyo Stock Exchange and the Company's "Standards for Independence of Outside Directors" described on page 23, and the Company plans to submit notification to the aforementioned exchange concerning her designation as an independent officer.

Limited liability agreements with the candidate for a substitute outside Director who is an Audit and Supervisory Committee Member

If KURODA Ai assumes office as a Director who is an Audit and Supervisory Committee Member, the Company plans to enter into an agreement with her to limit her liability for damages due to negligence of duties under Article 427, paragraph (1) of the Companies Act to the amount stipulated by laws and regulations.

Note: Candidate KURODA Ai is a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member. There is no special interest between the candidate and the Company.

Proposal No. 4

Partial Revision of the Share-based Remuneration Plan for Directors (Excluding Directors who are Audit and Supervisory Committee Members), etc.

1. Reasons for the proposal and the appropriateness of the remuneration

Under the performance-linked share-based remuneration plan (hereinafter referred to as the “Plan”), Directors of the Company (excluding Outside Directors and those not living in Japan) and Managing Executive Officers and Executive Officers (excluding those not living in Japan) are issued and provided (hereinafter referred to as the “Issuance, etc.”) with the Company’s shares and an amount of money equivalent to the market value of the Company’s shares (the “Company’s Shares, etc.”), while the Company’s shares are acquired through a trust using their remuneration contributed by the Company as the financial funds. For the Plan until now, its introduction was approved by shareholders at the 153rd Annual General Meeting of Shareholders held on June 29, 2017, partial revision at the 158th Annual General Meeting of Shareholders on June 29, 2022, and re-establishment of the remuneration framework for the Plan covering the Directors, Managing Executive Officers and Executive Officers (excluding Outside Directors, Directors who are Audit and Supervisory Committee Members and those not living in Japan; hereinafter referred to as the “Directors, etc.”) after the transition to a company with audit and supervisory committee at the 160th Annual General Meeting of Shareholders held on June 27, 2024.

We have formulated the 18th Medium-term Management Plan covering FY2025-FY2027 for the realization of the Company’s vision, “Enrich Lives with Happiness.” For the purpose of further motivating the Directors, etc. to achieve such Medium-term Management Plan, the Company requests your approval for the revision of the calculation method, etc. for the number of the Company’s shares for the Issuance, etc. to the Directors, etc. and the continuation of the Plan.

The summary of the “Policy on Decisions of the Content of Individual Directors’ Remuneration, etc.” at the Company is as described on page 39 of the Business Report (in Japanese), and we plan to change its details to those described on page 20 subject to approval of this proposal. Since this proposal is in accordance with the policy on decisions with such change to be made and has been decided by the Board of Directors after the consultation with the voluntary Nomination and Remuneration Committee of the Company with independent outside Directors consisting of the majority, we consider it appropriate.

In addition, the number of Directors of the Company (excluding Outside Directors, Directors who are Audit and Supervisory Committee Members and those who are not living in Japan) to become eligible at the conclusion of this meeting will be three if Proposal No. 2 “Election of Seven (7) Directors of the Board (Excluding Directors Who Are Audit and Supervisory Committee Members)” is approved as proposed (The number of Managing Executive Officers and Executive Officers who are not concurrently serving as Director will be eight.).

2. Amount and details, etc. of remuneration, etc. under the Plan

(1) Summary of the Plan

The Plan is a performance-linked share-based remuneration plan under which the Company's shares are acquired through a trust using the amount of remuneration for the Directors, etc. contributed by the Company as the financial funds and the Issuance, etc. of the Company's Shares, etc. are conducted to the Directors, etc. (Details are as described in (2) below).

(i) Eligible persons for the Issuance, etc. of the Company's Shares, etc. subject to this proposal	<ul style="list-style-type: none"> • Directors, etc. of the Company
<p>(ii) Impact of the Company shares subject to this proposal on the total number of issued shares</p> <p>Upper limit on money to be contributed by the Company (as described in (2) below)</p> <p>Upper limit on the number of shares for the Company's Shares, etc. for the Issuance, etc. to the Directors, etc. (as described in (3) below)</p> <p>Method of acquiring the Company's shares (as described in (2) below)</p>	<ul style="list-style-type: none"> • ¥900 million for three fiscal years • The number of shares obtained by multiplying 111,000 shares by the number of years for the applicable period, with 333,000 shares for the upper limit on the total number of shares to be issued as the Company's Shares, etc. for the Issuance, etc. to the Directors, etc. for the initial applicable period of three fiscal years • Approximately 0.06% for the ratio to the total number of issued shares of the upper limit on the number of the Company's Shares, etc. for the Issuance, etc. to the Directors for one fiscal year (as of March 31, 2025 after the deduction of treasury shares) <p>The Company's shares for the Plan will be acquired from the stock market or the Company (disposition of treasury shares, etc.).</p> <p>However, there will be no dilution, as the Company shares for the initial applicable period will be acquired from the stock market.</p>
(iii) Conditions for achieving business performance (as described in (3) below)	<ul style="list-style-type: none"> • Performance indicators, etc. listed in the Medium-term Management Plan of the Company • EBITDA, ROE, etc. will be indicators to be used for the initial applicable period • Performance-linked coefficients will change in the range of 0%-200% according to each degree of achievement
(iv) Timing of the Issuance, etc. of the Company's Shares, etc. to the Directors, etc. (as described in (4) below)	<ul style="list-style-type: none"> • On retirement <p>(However, the Company's shares acquired through the Plan shall continue to be owned until the passing of one year after retirement.)</p>

(2) Upper limit of money to be contributed by the Company

The Plan covers three fiscal years corresponding to the period subject to the Medium-term Management Plan announced by the Company (Initially three fiscal years from the fiscal year ending March 31, 2026 to the one ending March 31, 2028) (The period covered by the Plan shall be hereinafter referred to as the “Applicable Period.”)

For the Applicable Period, the Company will establish a trust equivalent to the Applicable Period (hereinafter referred to as the “Fund”) under which it contributes trust funds within the amount obtained by multiplying ¥300 million by the number of years for the Applicable Period (¥900 million for the initial Applicable Period of three years) with the Directors, etc., who meet the beneficiary requirements, as beneficiaries.

Following the instructions of the trust administrator, the Trust will acquire the Company’s shares from the stock market or the Company (disposal of treasury shares, etc.) using trusted money as financial funds.

During the Applicable Period, the Company grants points to the Directors, etc. (as described in (3) below), and after the retirement of the Directors, etc. (after death if the Directors, etc. die; the same shall apply hereinafter) conducts the Issuance, etc. of the Company’s Shares, etc. equivalent to the accumulated value of the granted points (hereinafter referred to as the “Number of Accumulated Points”) from the Trust.

At the expiration of the Application Period for the Trust, the Company may continue the Trust by changing the trust agreement or making additional trust instead of establishing a new Trust. In such cases, the trust period will be extended by three years, with the Applicable Period to be three fiscal years after the extension of the trust period. The Company will make additional contributions within ¥900 million for each extended trust period, and during the extended trust period, it will continue to give points to the Directors, etc. and the Trust will continue the Issuance, etc. of the Company’s Shares, etc.

However, in the case of making such additional contributions, if before the extension, there are the Company’s shares (excluding those equivalent to the points granted to the Directors, etc. before the completion of the Issuance, etc.) and money (hereinafter referred to as the “Remaining Shares, etc.”), the total amount of the Remaining Shares, etc. and the trust funds for additional contributions by the Company shall be within ¥900 million.

Moreover, in cases where the Company does not change the trust agreement nor make additional trust at the expiration of the trust period for each Trust, if there remain serving Directors, etc. who may meet beneficiary requirements, the Company shall not grant points to the Directors, etc. but may extend the trust period of the Trust until such Directors, etc. retire and the Issuance, etc. of the Company’s Shares, etc. to them are completed.

(3) The calculation method and upper limit on the number of the Company’s shares for the Issuance, etc. to the Directors, etc.

For the Directors, etc. who serve on the last day of each fiscal year (including Directors, etc. who retire on the day due to the expiration of term of office, etc.) during the trust period (fiscal year ending March 31, 2026 for the first time), the Company grants points calculated based on the following calculation method at the prescribed time after the end of such fiscal year. The granted points shall be accumulated every year, and the Issuance, etc. of the Company’s Shares, etc. shall be made according to the Number of Accumulated Points at the retirement of the Directors, etc.

<Calculation method of points>

Points to be granted to the Directors, etc. (excluding some Executive Officers) shall be only performance-linked points, while those to some Executive Officers shall be the total of performance-linked points and fixed points. Fixed points and performance-linked points shall be calculated by multiplying the fixed standard amount by position and performance-linked standard amount by position determined in advance according to position, respectively, by performance-linked co-efficient, and then dividing the product by the closing price of the Company stock (hereinafter referred to as the “Assumed Stock Price”) at the Tokyo Stock Exchange on July 1 (the next business day if the date is not a business day, and July 1, 2025 for the initial Applicable Period) of the first fiscal year of the Applicable Period for the Trust.

(Calculation formula for performance-linked points)

Performance-linked standard amount by position ÷ Assumed Stock Price × Performance-linked co-efficient (*)

(Fractions after decimal point shall be rounded down)

- (*) Performance-linked co-efficient shall change within the range of 0 - 200% based on the degree of achievement for performance indicators, etc. listed in the Medium-term Management Plan of the Company (EBITDA, ROE, etc. for the initial Applicable Period).

(Calculation formula for fixed points)

Fixed standard amount by position ÷ Assumed Stock Price (Fractions after decimal point shall be rounded down)

For the Company's shares in the Trust, with one point equaling one share of the Company's common stock, if they increase or decrease due to share split or consolidation, etc. during the trust period, the Company shall adjust the number of shares for the Issuance, etc. according to the ratio of such increase or decrease.

The upper limit on the number of points to be granted to the Directors, etc. during the trust period of the Trust shall be the number of points obtained by multiplying 111,000 points by three, the number of years for the Applicable Period, while the upper limit on the number of the Company's Shares, etc. for the Directors, etc. to receive the Issuance, etc. from the Trust during the trust period of the Trust shall be the number of shares equivalent to such upper limit on the number of points (hereinafter referred to as the "Maximum Number of Issued Shares"). Therefore, the Maximum Number of Issued Shares corresponding to the initial Applicable Period covering three fiscal years shall be 333,000 shares (in the case of one Company share for one point). The Maximum Number of Issued Shares is established in reference to the trend of stock price, based on the upper limit on the money to be contributed by the Company under (2) above.

If the Trust is continued under (2) above, the Maximum Number of Issued Shares during the extended trust period shall be the number of shares equivalent to 111,000 points multiplied by three which is the number of years for the extended trust period.

- (4) Method and timing of the Issuance, etc. of the Company's Shares, etc. to the Directors, etc.

For the Directors, etc. who have met the beneficiary requirements, the Trust shall grant the Company's shares equivalent to the number of accumulated points at the time of retiring as Directors, etc.

A certain portion of shares of the Company to be delivered may be realized in the Trust first for the purpose of securing funds to pay taxes, and shall be paid in cash for the amount equivalent to the conversion, while the Company's shares equivalent to the remaining points (with shares less than one share unit to be rounded down) shall be granted.

The Company's shares acquired through the Plan shall continue to be owned until the passing of one year after retirement.

- (5) Claw-back system, etc.

If there is a serious fraud or illegal conduct by the Directors, etc., the Company may confiscate the points granted based on the Plan from such Directors, etc. (malus) and demand them to return the money equivalent to the issued shares (claw-back).

- (6) Voting rights for the Company's shares in the Trust

For the Company's shares in the Trust, their voting rights shall not be exercised during the trust period in order to ensure neutrality to corporate management.

- (7) Other details of the Plan

Other details of the Plan shall be determined by the Board of Directors each time of establishing the Trust, changing the trust agreement and making additional trust.

[Reference] Summary of the “Policy on Decisions of the Content of Individual Directors’ Remuneration, etc.”

If this proposal is approved as proposed, the “Policy on Decisions of the Content of Individual Directors’ Remuneration, etc.” shall be as follows.

The following is the basic policy on the officers’ remuneration plan in order to realize the corporate philosophy of the Group.

- It shall motivate executives to achieve “Enrich Lives with Happiness” as the long-term growth strategy and to realize sustained improvement of corporate value.
- It shall provide the remuneration level which enables to secure excellent talents in Japan and abroad as the Company’s management for a truly global company.
- The process of determining remuneration shall be highly transparent and objective.

<Specific approach to the remuneration level>

With the basic policy of providing the remuneration level which enables to secure excellent talents in Japan and abroad as the Company’s management for a truly global company, the Company shall regularly conduct relative comparison against the level of officers’ remuneration at companies with the same size (market capitalization, etc.) in the same industry (chemical and manufacturing) utilizing the remuneration data collected by outside institutions, in order to quickly respond to changes in the external and market environments, and always maintain a competitive remuneration level.

<Composition of remuneration for inside Directors>

The remuneration of inside Directors consists of the fixed “basic remuneration,” “performance-linked remuneration” as a short-term incentive and “performance-linked share-based remuneration” as a medium- to long-term incentive. The composition ratios of remuneration for inside Directors are established with a guide of “basic remuneration: performance-linked remuneration: performance-linked share-based remuneration = 45:40:15” for a standard performance.

a. Basic remuneration

We have adopted a system with basic salary consisting of 45% of the entire remuneration which pays about 5% of the total remuneration as cumulative remuneration paid at retirement.

b. Performance-linked remuneration (short-term incentive remuneration)

Position	Evaluation indicator	Weight
Representative Director	Company performance	100%
Other than Representative Director	Company performance	50%
	Individual performance	50%

It is determined by multiplying the basic amount set by position with the evaluation co-efficient according to the comprehensive evaluation using the achievement of the company-level performance targets and individual targets based on the published figures of each fiscal year. The evaluation indicators for the company-level performance targets in FY2025 shall be the achievement of EBITDA, ROE, etc. and those for individual performance targets the achievement of measures for achieving business targets of responsible businesses.

c. Performance-linked share-based remuneration (medium- to long-term incentive remuneration)

The Company’s performance-linked share-based remuneration plan (hereinafter referred to as the “Plan”) shall cover three fiscal years of FY2025 through FY2027 and shall be evaluated by the company performance targets (EBITDA, ROE), etc. listed in the Medium-term Management Plan.

The Plan gives the points granted according to position every year multiplied by performance-linked co-efficient which changes within 0%-200% according to the achievement of performance targets (EBITDA, ROE), etc. of the Company for the fiscal year, and issues the Company’s shares equivalent to the cumulative points granted and provides the amount equivalent to the conversion of the Company’s shares at the time of Directors’ retirement.

<Composition of remuneration for outside Directors>

Considering their duties, remuneration is mainly the fixed basic remuneration, with performance-linked remuneration and performance-linked share-based remuneration not eligible.

<Composition of remuneration for Directors who are Audit and Supervisory Committee Members>

Considering duties according to full time and outside, it mainly consists of fixed basic remuneration (excluding cumulative remuneration at retirement).

<Process and decision-making power for officers' remuneration>

The Board of Directors determines individual officers' remuneration after the deliberation of the Nomination and Remuneration Committee, a voluntary committee, on performance-linked remuneration and performance-linked share-based remuneration. The establishment of initial targets of each fiscal year for individual officers and the evaluation of the achievement at year-end are determined after the interview of Directors themselves by Representative Director and President. The Nomination and Remuneration Committee confirms their reasonableness and appropriateness. The Board of Directors determines individual officers' remuneration after receiving the Committee's report.

<Remuneration governance system>

We have established the following system in order to strengthen the objectivity and transparency of the officers' remuneration system so that the officers' remuneration structure will be convincing to stakeholders as well.

1. The Nomination and Remuneration Committee
2. Malus claw-back clause: We have established a rule which enables the Company to confiscate the points granted to Directors or demand damages equivalent to issued shares if Directors eligible for the plan are found out to have committed serious frauds, violations, etc. under the performance-linked share-based remuneration plan.

<Matters to be Determined for Proposals No. 2 through 3>

1. Members of the Board of Directors and their expertise if Proposal No. 2 is approved

In addition to “Global” and “Sustainability,” the expertise that is considered necessary to carry out the management of the Company and the expertise that is expected of each individual Director are as follows.

	Name	Attributes	Corporate management	Sales Marketing	Finance	R&D/SCM DX	Human resources Human resource development	Legal affairs Risk management
Directors of the Board	MORI Kunishi	Inside Male	●	●	●	●	●	●
	TOMIOKA Takashi	Inside Male	●	●	●	●	●	●
	TAKATA Yoichi	Inside Male	●	●	●			
	Pravin D. Chaudhari	Inside Foreign Male	●	●		●		
	OMORI Shinichiro	Outside, Independent Male	●		●	●		●
	YOMO Yukari	Outside, Independent Female	●				●	
	Asli M. Colpan	Outside, Independent Foreign Female	●		●		●	●
Directors who are Audit and Supervisory Committee	HASEBE Hideshi	Inside Male			●			●
	YAMAMOTO Tokuo	Outside, Independent Male			●			●
	NAKAI Hiroe	Outside, Independent Female						●

Definition of expected skill items and reasons for their selection

Corporate management	Excellent management judgement is required for the sustained improvement of corporate value to become a company with the Company's vision, "Enrich Lives with Happiness." Therefore, the Company has selected, as skills of officers, a wealth of management experience, corporate management, and experience and insight concerning the formulation of sustainable growth strategy.
Sales Marketing	Wide and profound knowledge and experience concerning sales and marketing are required in order to accurately capture market trends and customer needs in Japan and abroad, plan and execute strategies and realize improved profits. Therefore, the Company has selected, as skills of officers, experience and insight concerning sales and marketing in Japan and abroad.
Finance	Accurate financial reporting, supervisory function and development of solid financial base are required in order to achieve financial targets listed in the medium-term management plan of the Group, improve capital efficiency and further increase shareholder value through shareholder returns. Therefore, the Company has selected, as skills of officers, insight into finance, accounting and M&As, or experience and insight concerning dialogue with the capital market.
R&D/SCM DX	Research and development capabilities based on technical trends and customer needs, development of solid supply chains, linkage of supply chains with data and DX for higher productivity are required in order to develop paintings and coatings that are useful for people and deliver them to people all over the world so that we can "Enrich Lives with Happiness." Therefore, the Company has selected, as skills of officers, experience and insight concerning research and development, production, procurement, logistics, IT and DX.
Human resources Human resources development	Promotion of human resources diversity to accept any differences, human resources development and optimal assignment are required for a company where "diverse human resources play their active roles" stipulated in Materiality. Therefore, the Company has selected, as skills of officers, experience and insight concerning human resources strategy and development, D&I, and personnel decision-making from the perspective of corporate management.
Legal affairs Risk management	Compliance with laws and regulations, and regulatory controls as well as reinforcement of governance as the base of business activities are required in order to meet the trust of stakeholders and soundly and sustainably improve corporate value against increasingly complex and diverse risks. Therefore, the Company has selected, as skills of officers, experience and insight concerning corporate legal affairs, risk management and compliance.

2. Directors and officers liability insurance policy

The Company has concluded a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, which insures Directors and executive officers of the Company, as well as Directors and Audit and Supervisory Committee Members of its major consolidated subsidiaries, against any loss or damage that may arise from the insured's assumption of liability for their duties or from claims related to the pursuit of such liability. If the candidates in Proposals No. 2 through 3 assume office, each candidate will be included as an insured in the policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

3. Approach to cross-shareholdings and reduction status

In the growth strategy announced in November 2020, the Company set forth "raising funds for investing in growth areas by reducing total assets" as part of strengthening the foundation to support the implementation of the strategy. As one such measure, the Company is promoting the reduction of cross-shareholdings while examining the economic rationality of such holdings. The current status at the end of the current fiscal year is as follows.

	As of March 31, 2025		As of March 31, 2024	
	Number of issues	Total carrying amount on the balance sheet (Millions of yen)	Number of issues	Total carrying amount on the balance sheet (Millions of yen)
Unlisted shares	41	3,313	41	3,313
Shares other than unlisted shares	20	10,625	30	19,292

<Reduction of cross-shareholdings in the 161st fiscal year (amount sold)>

	Number of issues	Amount sold (Millions of yen)
Shares other than unlisted shares	12	6,924

4. Standards for Independence of Outside Directors

Article 1 These rules establish the standards for independence for the appointment of Outside Directors of the Company.

Article 2 Outside Directors in the Company shall not fall under any of the following:

- (1) A person who is a Director (excluding Outside Directors of the Company and its subsidiaries), Executive Director, Audit and Supervisory Committee Member (excluding Directors who are Audit and Supervisory Committee Members of the Company and Outside Audit and Supervisory Committee Members of the Company's subsidiaries), executive officer, accounting advisor (including employees who should perform such duties if such accounting advisor is a corporation), manager, or other employee of the Company or its subsidiaries
- (2) A person for whom the Company or its subsidiaries are a major business partner, or a person who executes its business
- (3) A person who is a major business partner of the Company or its subsidiaries, or a person who executes its business
- (4) A major shareholder of the Company (if such major shareholder is a corporation, a person who executes the business of such corporation, etc.)
- (5) A person who receives substantial donations from the Company or its subsidiaries (if the recipient of such donations is a corporation, a person who executes the business of such corporation, etc.)
- (6) A consultant, accounting professional or legal professional who receives substantial amounts of money or other assets from the Company or its subsidiaries other than remuneration as an officer (if the recipient of such assets is a corporation, partnership or other organization, a person who belongs to such organization)
- (7) A person who has fallen under (1) through (5) above in the past
- (8) A person who has fallen under (6) in the past three (3) years
- (9) A relative within the second degree of kinship or spouse of a person listed in (1) through (8) (excluding persons who are not material)

Article 3 In addition to the requirements set forth in the preceding Article, Outside Directors of the Company shall not have any circumstances that may cause a substantial conflict of interest with the general shareholders of the Company.

Article 4 Outside Directors of the Company shall endeavor to maintain their independence as stipulated in these standards. In the event that there is a possibility that they may not be independent in violation of these standards, they shall immediately report such situation to the Company.

Notes:

Article 1 The content of these standards is based on the Companies Act and the Enforcement Rules for Securities Listing Regulations of the Tokyo Stock Exchange, Inc., etc.

Article 2

- (2) "A person for whom the Company or its subsidiaries are a major business partner" is defined as "a person whose sales to the Company's consolidated Group as a consolidated group exceeded 2% of the consolidated net sales of said business partner in the immediately preceding fiscal year."
- (3) "A person who is a major business partner of the Company or its subsidiaries" is defined as "a person whose consolidated group sales exceeded 2% of the consolidated net sales of the Company's consolidated Group in the immediately preceding fiscal year."
- (4) "A major shareholder" is defined as "a person who directly or indirectly holds 10% or more of the total voting rights."
- (5) "Substantial" is defined as "10 million yen or more or 2% of the sales of the person, whichever is higher, in the immediately preceding fiscal year."
- (6) "Substantial" is defined as "10 million yen or more or 2% of the sales of the person, whichever is higher, in the immediately preceding fiscal year."
- (9) "Material" is defined as a person of the officer class or equivalent of each business partner.