




Advancing on the Sustainability Learning Curve



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Advancing on the Sustainability Learning Curve

Planets circle the stars, and their orbit is a curve. Rivers bend along their way, the line of a mountain range rises and falls, the branch of a tree grows towards the light and even a wave rises and falls along a curve – nature as it is evident, doesn't do straight lines!

Even as we continue on our sustainability journey, our trajectory of growth also happens to be a curve advancing upwards.

At Asian Paints, we are advancing every day on the learning curve that makes all aspects of our organisation more sustainable. We are innovating to create products that are unique, durable, and gentle on nature; caring for the environment by saving precious natural resource; inculcating life-saving habits in our workforce and implementing zero-harm processes; and giving back to the community to ensure its holistic development and a resilient future for this nation. We are crossing milestones of sustainability, and while there is a long road ahead, each step makes us stronger.



Message from the MD & CEO



Dear Readers,

I am happy to present to you the 6th edition of our Annual Sustainability Report.

Let me take this opportunity to reflect on the sustainability learning curve over the years. The past five years have been exciting for us. We have introduced several new world class sustainable products for our customers, significantly exceeded targets that we had set against the baseline year of 2013-14, taken important strides in the implementation of Behavior Based Safety and achieved extensive impactful reach in our community initiatives.

Our Sustainability Report FY2019-20 provides glimpses of our progress in key categories such as product stewardship, environment, health and safety and the society.

In the area of Product Stewardship, we not only continue to focus on unique features but have also introduced many radically improved sustainability propositions. Our Ultima Protek range which offers self-cleaning properties and the new Nilaya Naturals range which is formulated with 95% natural materials are two such examples.

Responsibility towards environment is now institutionalized in our operating framework. Water projects have helped us recharge 158% of the fresh water consumed within our eight manufacturing locations. We have commissioned a 6 MWH utility solar facility in Haryana in FY2019-20, which brings the overall RE installed capacity to 39.46 MW.

When it comes to the hazardous waste, there has been 6.25% reduction over previous fiscal year representing 50% overall improvement over the year 2013-14. Extended Producer Responsibility has been mandated from this year and we have met our targets by collecting and reprocessing over 1800 MT flexible plastics across different states. Biodiversity has emerged as a significant area of impact. We have initiated biodiversity projects in Mysuru and Vizag factories inspired by our award winning initiative at Sriperumbudur factory.

Occupational Health and Safety with focus on Zero Accidents is a continuous area of focus for us and has been reinforced by the institutionalisation of Safety Culture within the Company. The Rohtak Factory was awarded the 'Sword of Honor' by the British Safety Council for demonstrating excellent Safety Standards. Our Kasna factory also won laurels in the 18th Green Tech Safety Awards for outstanding Safety Management Practices while the Sriperumbudur factory bagged several awards at the CII Kaizen Competition 2019.

All our Community initiatives have centered around the key areas of Education, Health and Hygiene, Water Management and Vocational Training. We realize that water is a fast depleting resource and therefore a major share of our funds have been utilized to improve water security in the areas where we operate. In addition, we have attempted to focus on long-term projects which include elements of Education, Health and Water Management for overall development of the communities.

As we advance on this learning curve, we will continue developing sustainable products for our customers, while reducing hazardous waste from our manufacturing processes and increasing our Renewable Energy footprint. The safety culture will continue to be central to all our operations and our community outreach programs will expand to touch more lives.

We welcome your observations and suggestions for improvements, do write to us at sustainability@asianpaints.com

Happy Reading!
Regards,

Amit Syngle
Managing Director & CEO,
Asian Paints Limited

OUR FOCUS AREAS

Community



Health & Safety



Environment



Product Stewardship

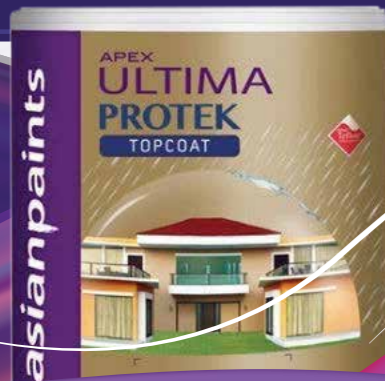


Note: The criteria for development of this report is based on key focus areas as defined internally by the Management of Asian Paints Limited.

PRODUCT STEWARDSHIP



Ultima Protek Lamino – First of its kind product with enhanced self-cleaning properties making it more long lasting and resource efficient



Nilaya Naturals – First of its kind paint, formulated with over **95%** natural materials or materials of natural origin














Ace Exterior Emulsion, Tractor Emulsion Advanced and Apcolite Enamel – Design revamped by increasing the proportion of raw materials coming from renewable origin



Product Stewardship

Green Products Journey

We constantly set standards to remain a leader in product stewardship, and invest in unprecedented innovation that offers unique value to consumers while enhancing product safety and sustainability.


<p>2019-20</p> <ul style="list-style-type: none"> Nilaya Naturals Ultima Protek Lamino 		
<p>2018-19</p> <p>Apcolite Rust Shield Enamel</p>		<p>Resource Efficiency First enamel in the country to offer a 2-year warranty for rust protection</p> <p>CLICK HERE TO KNOW MORE</p> 
<p>2017</p> <p>Royale Health Sheild</p>		<p>Kills 99% of infection-causing bacteria First paint in India recommended by the Indian Medical Association (IMA).</p> <p>CLICK HERE TO KNOW MORE</p> 
<p>2016</p> <p>Royale Atmos</p>		<p>Eco-friendly air purifying paint Reduce indoor air pollution by neutralising formaldehyde</p> <p>CLICK HERE TO KNOW MORE</p> 
<p>2013</p> <p>Ultima Protek</p> <p>Certified by Green Seal USA in 2017</p>		<p>Resource Efficiency Exterior paint with 10 years performance warranty</p> <p>Low VOC Meets the LEED VOC criteria as per Indian Green Building Council.</p> <p>CLICK HERE TO KNOW MORE</p> 
<p>2012</p> <p>Royale Aspira</p>		<p>Resource Efficiency First Interior paint with five years performance warranty</p> <p>CLICK HERE TO KNOW MORE</p> 

The theme of Product Stewardship has evolved over the years. It has witnessed efforts in formulating nature friendly products, increase in renewable raw materials, reducing carbon footprint, eliminating harmful ingredients, process innovations for energy and raw material efficiency. Many of our efforts in this theme have been recognized through awards at different professional forums.

Developing Sustainable Products and Solutions

A. Our green products are friends of Nature

The organic composition of Nilaya Naturals makes it porous and **breathable**, which means it is hard for the dust to settle or damp to build up on the painted surface, and microbial growth is greatly reduced. What results is a healthy, odour-free indoor environment.



The organic paint contains **natural ingredients** like soya bean extract, casein, calcium carbonate, castor seeds, and neem oil.

Every ingredient of Nilaya Naturals is a clean, **earthbound raw material**, such as clay, stone, marble, or cotton. At the end of the paint's life, these return to the earth, unaltered, keeping the environment unharmed.

Retains its original tone in different light conditions, unlike synthetic colours that appear to be altered under different lights.

10-Year Warranty

NILAYA NATURALS

A paint that is the first of its kind, Nilaya Naturals is earth-safe and formulated with over 95% natural materials or materials of natural origin.

To know more about the product: <https://nilaya.asianpaints.com/nilaya-naturals/>

ULTIMA PROTEK LAMINO

First of its kind 2-pack water-based polyurethane clear coat with enhanced self-cleaning properties.



The product offers **excellent solvent resistance**, which facilitates easy removal of graffiti.



10-Year Warranty



Traditional paints lack the ability to repel dirt and other contaminants, which leads to dullness on the surface. Ultima Protek Lamino's **self-cleaning property** prevents the coated surface from difficult stains like dried mud, paan stain, bird droppings, etc.

B. Use of renewable resources increased



We always focused on finding opportunities and pathways to increase the proportion of raw materials coming from renewable resources.

In this year, a major breakthrough was achieved where renewable content in three large-volume products – **Ace Exterior Emulsion, Tractor Emulsion Advanced, and Apcolite Enamel** – was increased from its current level by 20 to 60% from the prevalent levels. This was achieved while maintaining the existing product properties.

C. Technology shrinks our carbon footprint



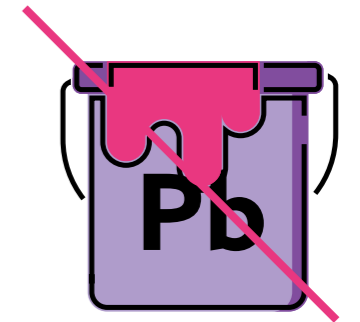
Over the years, we have focused on optimising the rutile in the recipe through effective dispersion and spacing. Further more, latest technological advancements in the area of bulk scale dispersion techniques were also evaluated.

Both formulation engineering at R&T and process engineering at manufacturing resulted in significant rutile savings, which directly means a smaller carbon footprint. In FY2019-20, the net carbon footprint reduction through rutile savings was approximately 11000 MT CO₂e.

D. Eliminating lead in paints / Pb <90 PPM

It has been more than a decade since we discontinued the use of lead-based raw materials in household and decorative paints.

This initiative came long before the Government of India passed a legislation in 2016 restricting lead concentration in decorative paints to less than 90 ppm. We have incorporated 'less than 90 ppm' in the artworks and labels of containers, as directed by the Ministry of Environment, Forests, and Climate Change.



E. Process innovation reduces energy use



New machinery for pigment dispersion in water-based paints

We are always committed to implementing newer processing methodologies that reduce overall energy consumption and cycle time.

The Company's recent focus was to –

- (i) improve the existing manufacturing process and
- (ii) establish new effective and efficient dispersion techniques.

Existing manufacturing process was improved by implementing a new way of adding thickener into water-based paints. This has helped in maximising the efficiency of the material.

A new online grinding technique was commissioned in the plant that enabled cycle time reduction and improvements in key raw material usage efficiency.

ENVIRONMENT



969 million litres of water replenished in FY2019-20



50% reduction in specific hazardous waste disposal as compared to FY2013-14



42 million units of electricity consumed in FY2019-20 from renewable sources

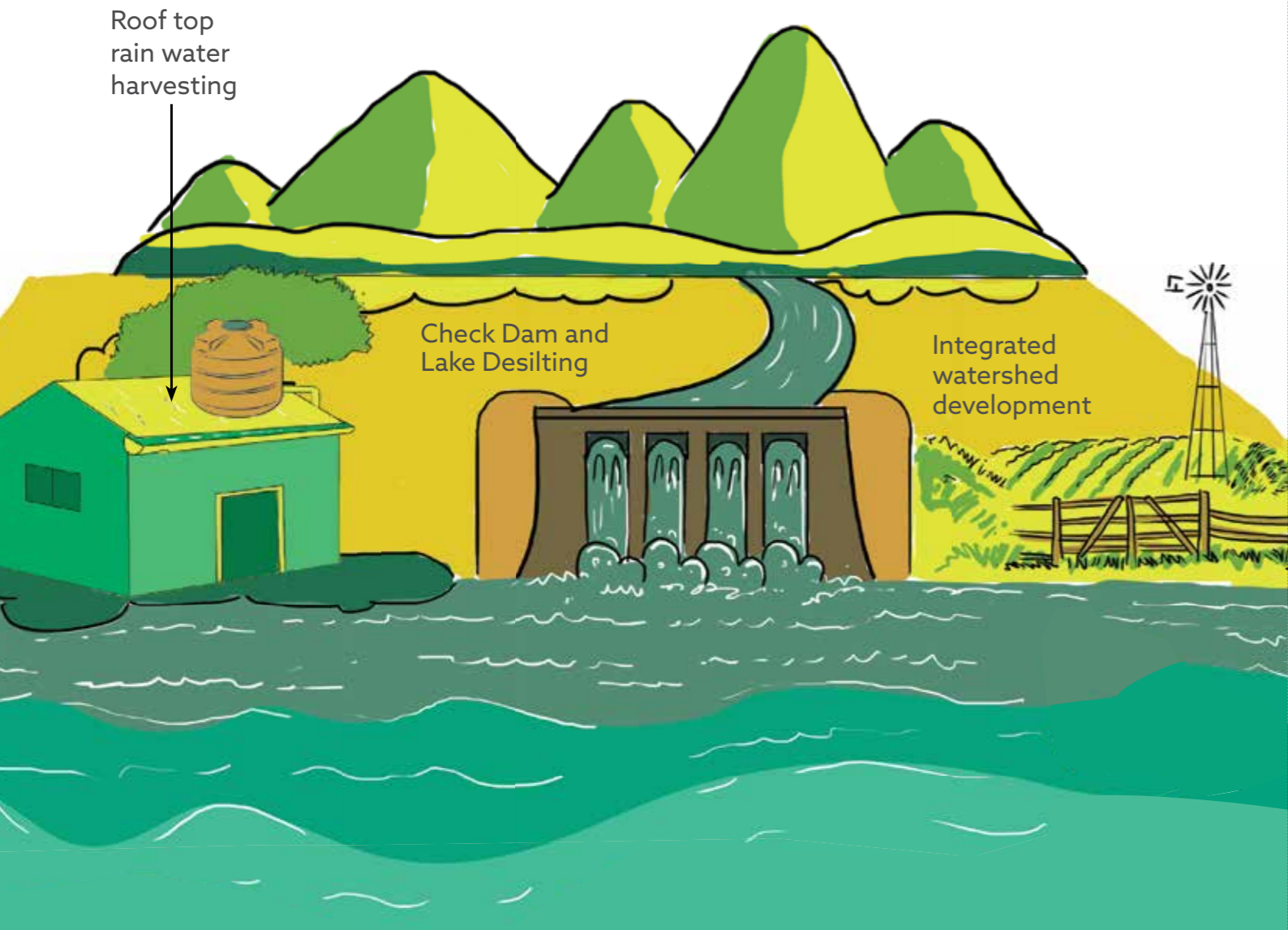
Environment

We are always moving towards more eco-friendly manufacturing infrastructure and processes, with the aim of minimising the impact of our operation and nurturing biodiversity, so that our colours paint a greener picture

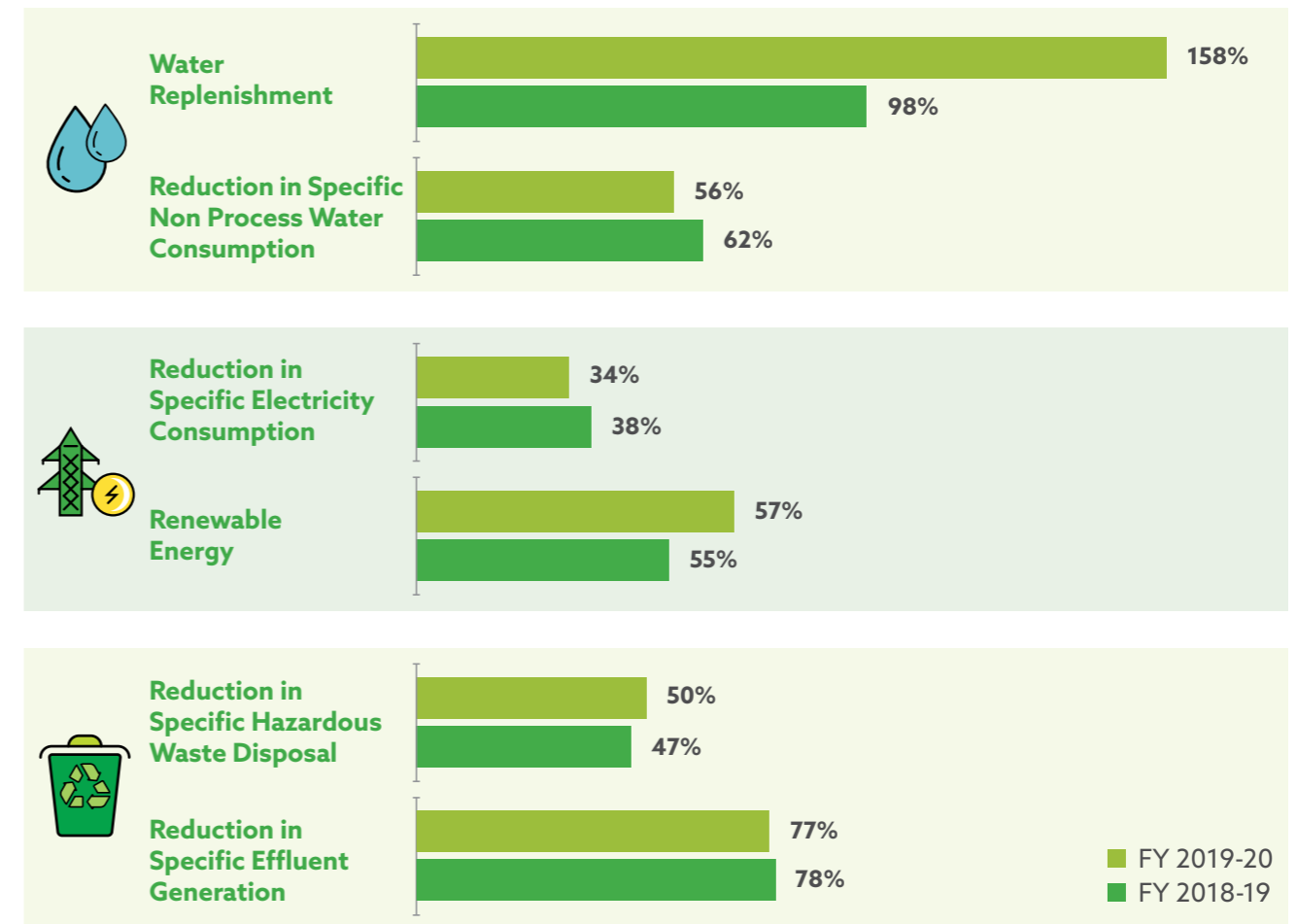
We have designed our infrastructure and operations keeping in mind the sustainability context. This is aimed at minimising our environmental impact and nurturing biodiversity.



Under our project NEW, factory heads implement initiatives across all sites. Periodic reviews with management ensure rapid and effective deployment.



Progress Dashboard



Note:

- 1) All performance indicators are denoted as percentages.
- 2) All reductions are w.r.t base year FY2013-14 except water replenishment and renewable energy, which represent the achievement level for the respective years.
- 3) This data represents the performance of our eight factories - Ankleshwar, Patancheru, Kasna, Sriperumbudur, Rohtak, Khandala, Mysuru and Vizag.

Performance Indicator	Performance Number	
	FY2019-20	FY2018-19
Specific non-process water consumption (KL/KL)	0.43	0.37
Specific electricity consumption (kWH/KL)	76.52	71.94
Specific trade effluent generation (L/KL)	19.17	18.51
Specific hazardous waste disposal (Kg/KL)	1.35	1.44

Environmental performance indicators:

- 1) **Water replenishment (%)** - Rainwater harvested and recharged (within the plant and outside through CSR initiatives) divided by total fresh water consumption.
- 2) **Specific non-process water consumption (KL/KL)** - Non-process water consumption per Kilolitre (KL) of paint production.
- 3) **Specific Electricity Consumption (kWH/KL)** - Power consumption per Kilolitre (KL) of paint production.
- 4) **Renewable Energy (%)** - Renewable energy component of the total energy consumption.
- 5) **Hazardous Waste Disposal (Kg/KL)** - Total hazardous waste disposed per Kilolitre (KL) of paint production.
- 6) **Specific Trade Effluent Generation (L/KL)** - Trade effluent generation per Kilolitre (KL) of paint production.

A. Natural Resource Conservation

i. Water replenishment and conservation inside factory premises

15 Golden rules of water management

 Aerator for water taps	 Water bags to be used in flush cisterns	 Zero raw water in barrel cleaning	 100% use of ETP-RO permeate for utilities	 Water-free urinals
 100% use of utilities reject For domestic purpose	 Native plants plantation	 100% reuse of boiler condensate	 100% reuse of boiler blowdown	 RO in utility to operate at minimum 70% efficiency
 Re-use of water of reaction	 100% use of sensor-based taps	 Rainwater in utilities cooling tower	 Blowdown at TDS 2500 2-valve system	 In CT and chilling circuit

a. Rainwater Collection and Conservation

At our new factories, Vizag and Mysuru, we have storm water and rainwater reservoirs that collectively contribute to a sump capacity of over 1 lakh KL. Collected water is used for process & non-process water requirements.

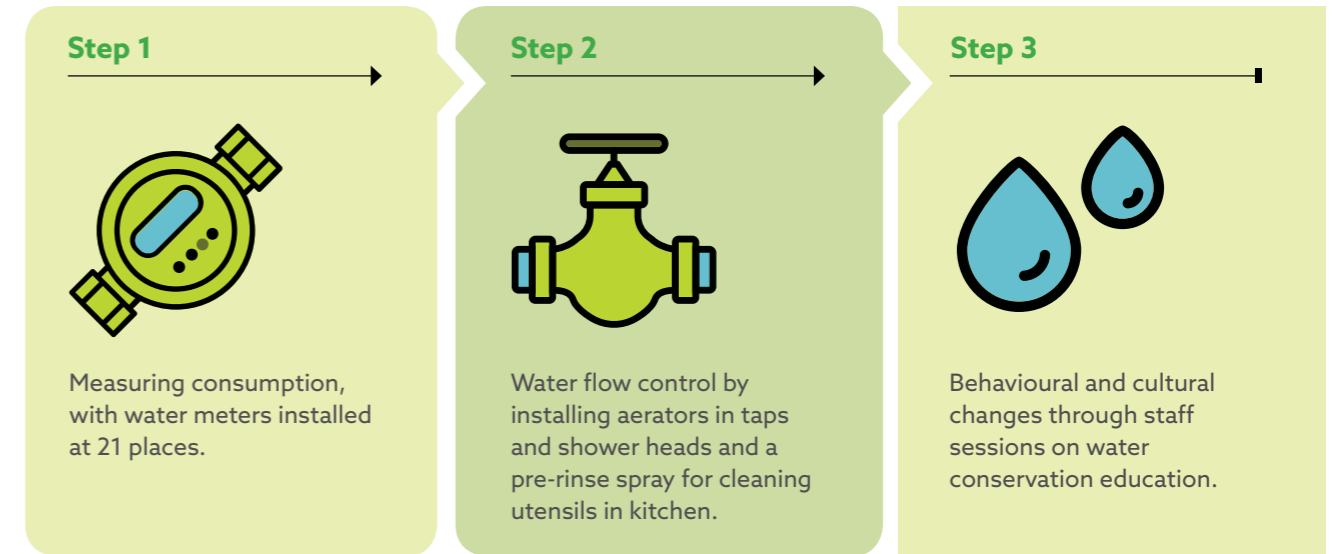


Mysuru factory - Rooftop rainwater collection reservoir

b. Reduced Usage of Non-Process Water

At the Ankleshwar factory, non-process water consumption was reduced by 23% through improvement in measurement and initiatives such as leakage detection and repair, waterless urinals etc.

At the Sriperumbudur factory, domestic water consumption was reduced by more than 30% by three steps as shown below:



c. Water-Saving Technology

At the Kasna factory, we digitised the flow-meter and connected it with the distributed control system to improve water accounting and reduce losses.

At the Rohtak factory, we installed waterless robotic solar panel cleaning system.



Waterless robotic solar panel cleaning system

ii. Water replenishment and conservation outside factory premises

a. Pond Restoration

We enhanced the surface water and groundwater resources of Badanavalu and Sindhuvelli villages in Mysuru. Three ponds were rejuvenated by increasing total storage capacity by 45,200 KL and with this intervention, the recharging of groundwater in aquifers will increase considerably. More than 70 farmers have benefited from this pond restoration – the water is used for irrigating 550 acres of agricultural land and for cattle rearing.



Pond restoration in Mysuru

b. Phytoremediation

We executed a water body rejuvenation project at Ladpura using phytoremediation (use of plants to decontaminate soil and groundwater). This technique enabled us to treat domestic effluent runoff, leading to the potential water recharge of 9,000 KL per annum. This project has also improved hygiene in the area.

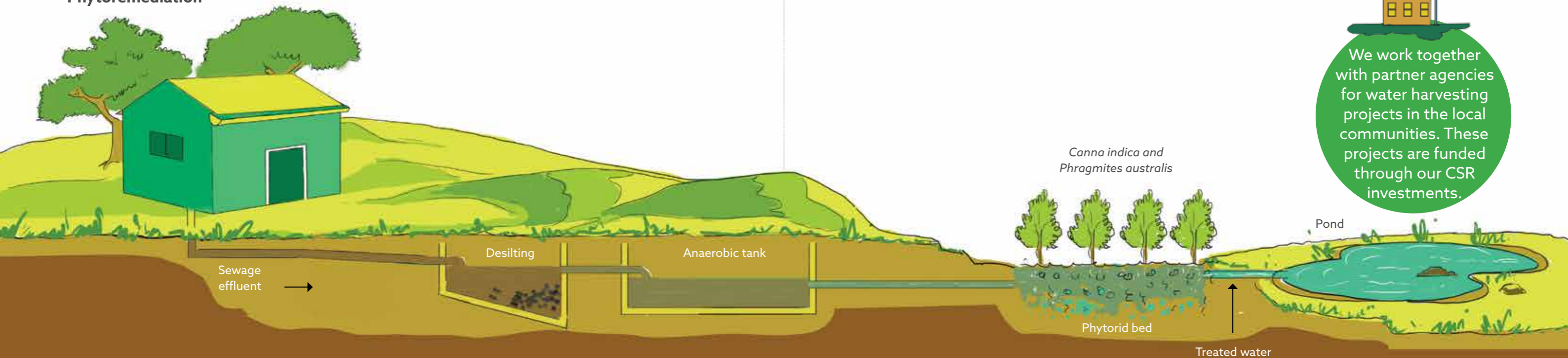


Water body rejuvenation in Ladpura



Plants like Canna indica and Phragmites australis were used for phytoremediation

Phytoremediation



c. Check Dam and Lake Desilting

We strengthened and restored the check dam at Rojghat village in Gujarat. This check dam was created in 1996 to allow water to pass during floods. By desilting, repairing, and deepening the dam, we created water potential of 11,320 KL.

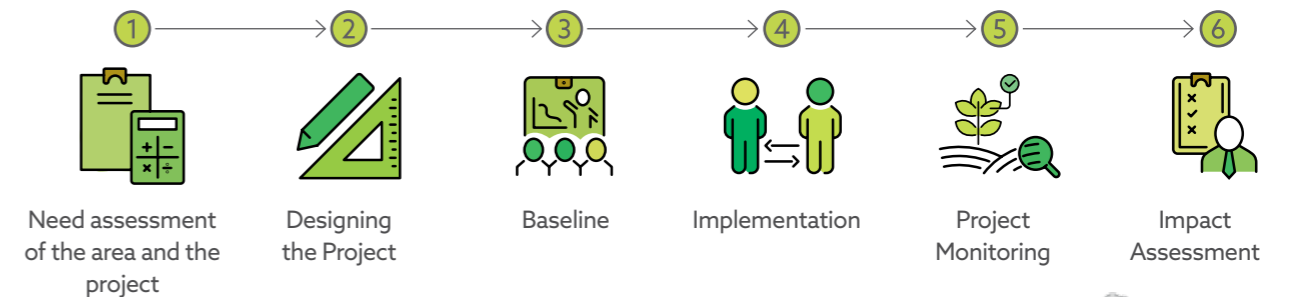


Restoration of the Rojghat check dam

d. Integrated Watershed Development

We implemented integrated watershed development in villages nearby to our factories. We undertook initiatives like pond cleaning, desilting and irrigation channel lining. We trained farmers on micro-irrigation systems, integrated pest and soil health management.

Our projects begin with need assessment to form a baseline and end with impact analysis to measure the outcome.



We work together with partner agencies for water harvesting projects in the local communities. These projects are funded through our CSR investments.

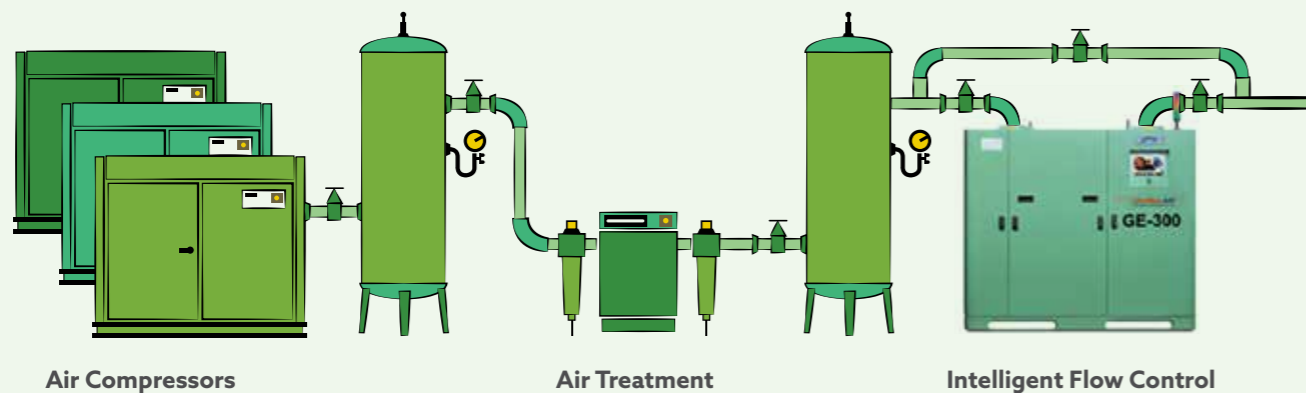
B. Energy Conservation & Emission Reduction

1. Energy Conservation

Our fundamental approach consists of reducing energy consumption and emissions in our operations, while improving efficiency and quality in production. The Energy Cell at our factories has undertaken several initiatives:

i. Installation of intelligent flow control

At Ankleshwar factory, we installed 'Intelligent Flow Control' in the compressor to regulate air flow as per requirement. This has led to reduction in electricity usage of 270 units per day.



ii. Control over utilities operation

At Rohtak factory, we reduced power load in cooling towers by replacing conventional motors with energy-efficient motors. Also, replaced conventional solid blades in cooling towers with fibre-reinforced plastic blades (FRP).

iii. Energy conservation initiatives

At Mysuru factory, we saved power by using a 4.4 KW blower in place of compressed air for aeration purpose, saving 11,500 units per month. We also installed photo-electric sensor in bag massager cylinders, eliminating run when no bags are charged, saving 5,300 units per month.

iv. Awards & Recognition



a. Asian Paints Rohtak plant was one of the winners in the '**Best Managed Electrical System & Power Quality**' category of the 3rd CII National Energy Efficiency Circle Competition.

The team showcased electrical infrastructure at Rohtak with respect to its usage, safety features, technological knowhow, and other attributes.

b. Asian Paints Khandala plant won the 2nd Runner-up prize in the '**Best Energy Efficient Organization**' category of the 3rd CII National Energy Efficiency Circle Competition.

The Khandala plant highlighted continuous reduction in grid power consumption via process optimisation in utility and processing blocks, and adaptation to new technologies.

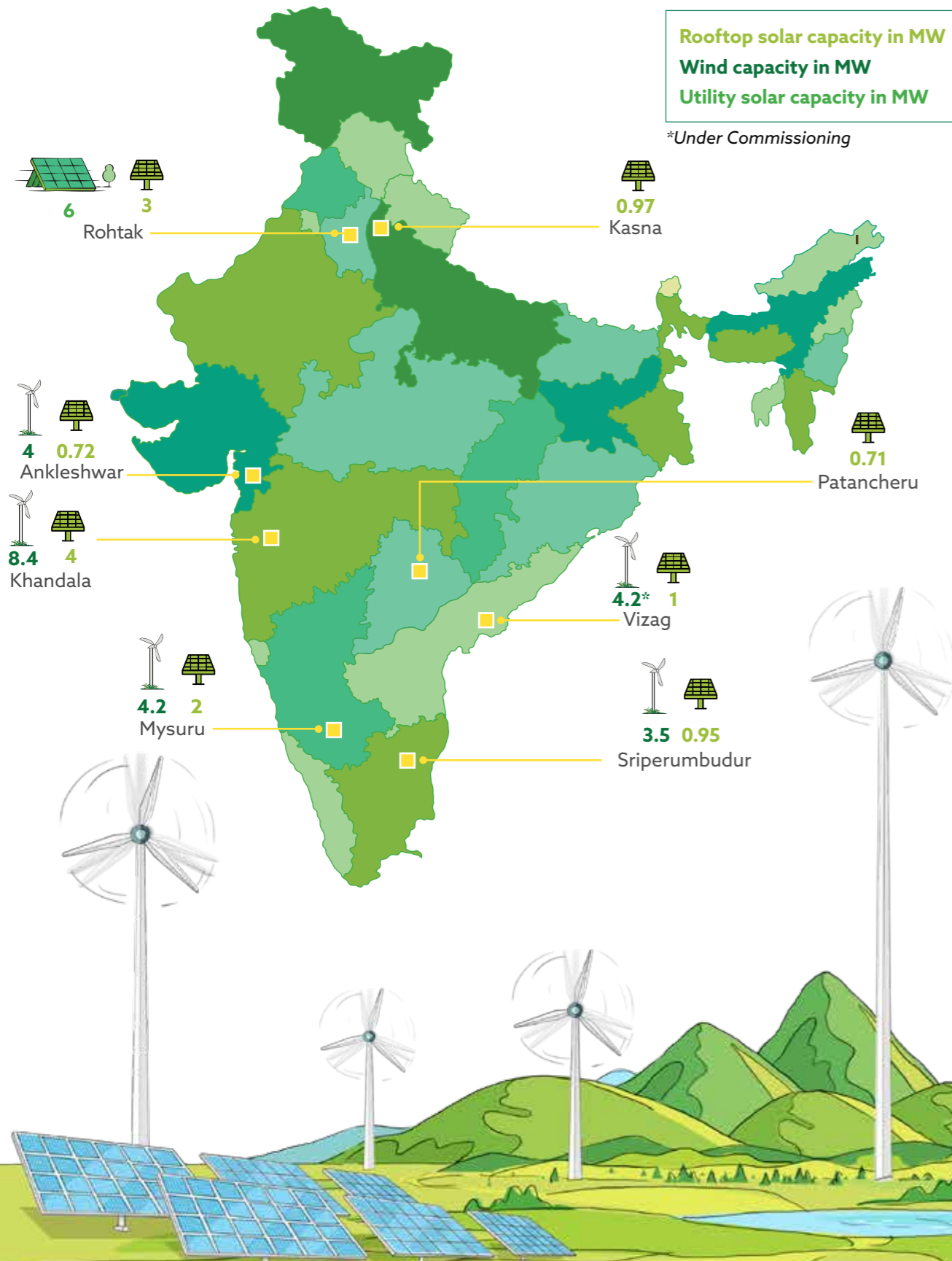
c. Asian Paints Sriperumbudur plant participated in the 20th CII National Award for Excellence in Energy Management. The team is the proud recipient of the '**Excellent Energy Efficient Unit**' award.

2. Renewable Energy

We achieved a **renewable energy footprint of 57.38%** in FY2019-20, far exceeding the 36% goal set for the year 2020 during FY2015-16. This was a flagship initiative that demonstrated our commitment to sourcing clean energy.

Staying committed to green energy, we would like to maximise our renewable capacity.

i. Installed capacity location wise



ii. Big measures for big impact

RE wind power portfolio percentage contribution of **37.8%**

24.3 MW

of installed capacity
(4.2 MW under commissioning)

27 million

units consumed in
FY2019-20



Wind farm energy is part of our renewable mix



Solar panel installation at the Mysuru Factory

RE solar power portfolio percentage contribution of

19.6%

19.36 MW

MWH of installed capacity

14 million

units consumed in FY2019-20

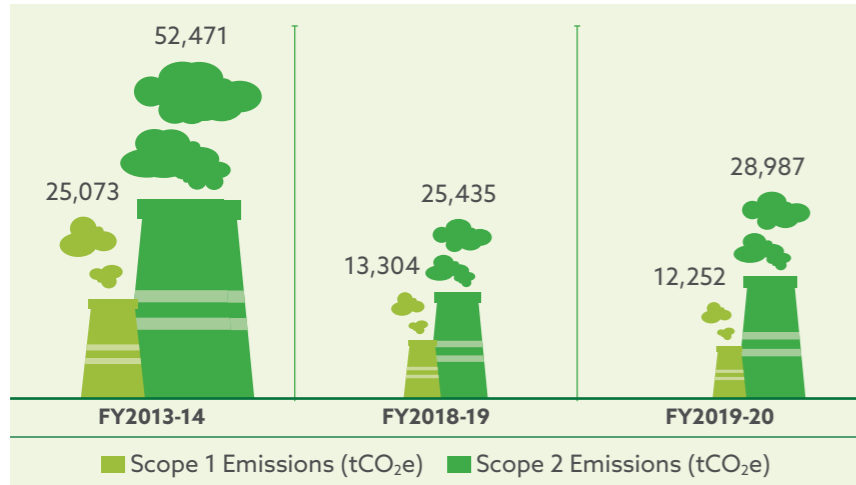
iii. Awards & Recognition

Asian Paints Rohtak and Khandala won the 'Best Application & Uses of Renewable Energy' category award at the 3rd CII National Energy Efficiency Circle Competition. Our renewable energy footprint was highlighted by showcasing supply chain level automation and cutting-edge technology.



3. Emissions Reduction

Emissions in the paint industry stem from sources such as the manufacturing process, filling and cleaning activities, mixing, storage of solvents, and paint application. In the past few years, we have been able to reduce our emissions by use of alternative fuel, improving our energy-efficiency, and enhancing our renewable energy portfolio.



Since FY2013-14, our Scope 1 emissions have reduced by 51% while Scope 2 emissions have come down by 45%.

Note: For GHG emissions (Scope-1, and Scope-2) the KPIs are aligned with WRI GHG Protocol.

C. Towards Better Waste Management

Minimising waste in our processes not only reduces costs, but also reduces our use of materials, energy, water and land, thereby protecting the environment. Our focus is to reduce all by-product materials and waste.

1. Wastewater Management

At Asian Paints, we have undertaken certain measures towards wastewater management.

i. Wash water usage

- a. At Vizag factory, we successfully reduced effluent generation by using 98% wash water. More than 2,000 KL of treated effluent was reused under this scheme.
- b. At Sriperumbudur factory, we strengthened our wash water infrastructure, reducing effluent production to less than 20 KL per month from 65 KL per month previously.

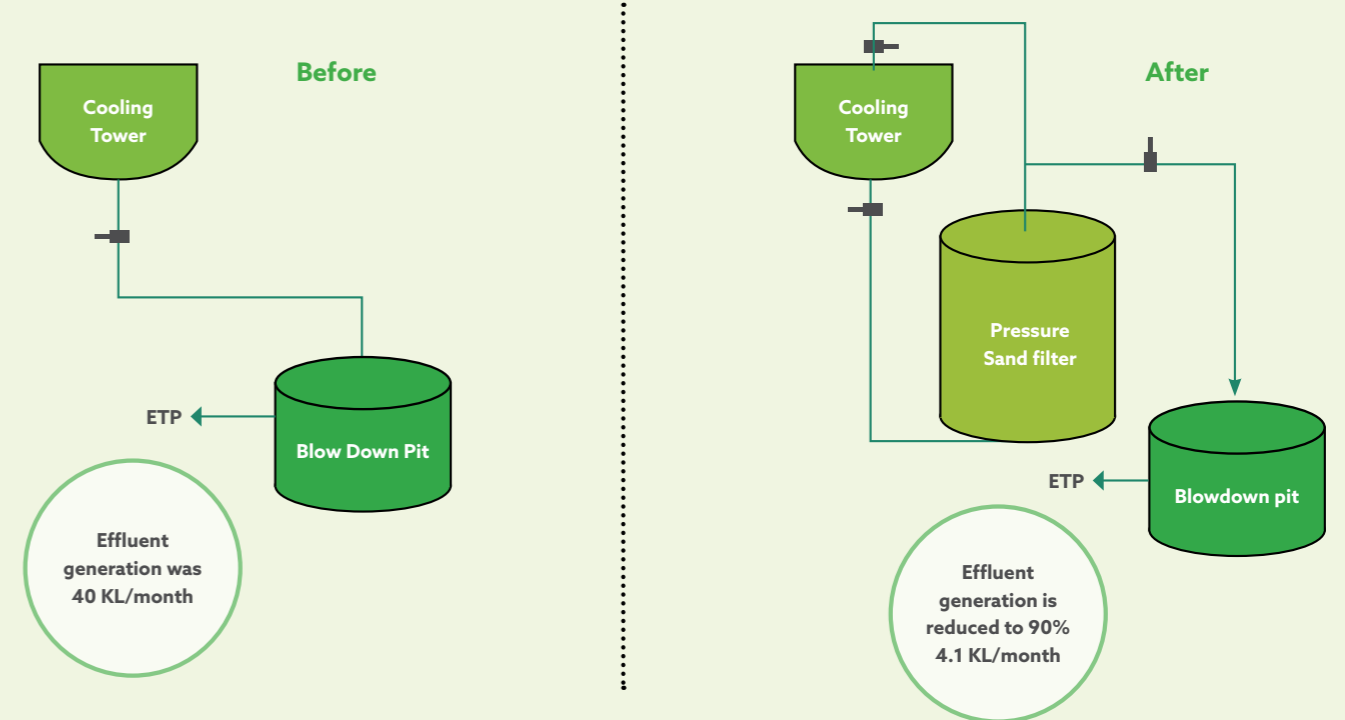
ii. Effective use of ETP treated water

At Khandala factory, we used 4,735 KL of ETP treated water back into the plant for product and other non-process usage. This helped us in limiting the use of fresh water.



iii. Cooling tower blowdown water reuse

At Mysuru factory, cooling tower blowdown water is reused for cooling tower makeup after filtration through sand filter. The only effluent generated in this process is sand filter backwash water.



Sand filter in cooling tower blow down line

2. Hazardous Waste Reduction

Reducing hazardous waste generation cuts the consumption of raw materials and the need for treatment and disposal. We have undertaken various initiatives to achieve this:

i. Management of hazardous waste

At the Patancheru factory, we diverted 100% hazardous waste to co-processing units, eliminating the load on landfills and incinerators. The co-processed waste is utilised by cement plants as fuel.

The HW quantity was reduced from 276 MT in FY2018-19 to less than 200MT in FY2019-20. This was achieved by undertaking a host of measures in the Water-Based Paints Block.

- Reduction in paint sludge by active use of wash water
- Reduction in paint skin by regular mixer cleaning practice

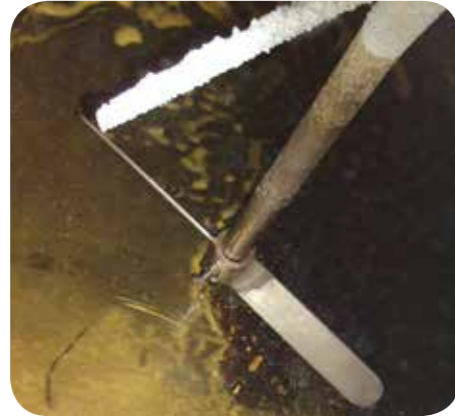


ii. Installation of self-cleaning strainer to reduce waste generation

A self-cleaning strainer was installed at the Mysuru Factory to separate sludge from liquid emulsion. This ensured that no liquid emulsion was getting wasted along with the sludge from the filters. This also helped reduce the overall hazardous waste.

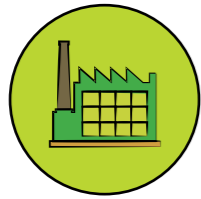
iii. Resin filtration efficiency improvement

A cross-plant team was formed to improve resin filtration efficiency. Through best practice identification and replication, improvement was achieved.



Pre-coated tub design

10% reduction in waste filter aid generation across plants



3. Non-Hazardous Waste Management Through Circular Economy

Circular economy replaces the 'take, make, and dispose' linear economy with one in which resources circulate at high value, avoiding or reducing the need for virgin resources. We have taken measures to establish circular economy and reduce non-hazardous waste.



i. Wooden pallet to stationery paper

At Patancheru factory, we initiated 100% recycling of discarded wooden pallets into stationery paper through an authorised recycler.

ii. Recycling of plastic waste generated in plants

Plastic waste from raw material packaging and damaged packaging material is sent to an authorised plastic recycler, to be converted to plastic pellets.

iii. Project Chatur Chidiya

At Ankleshwar factory, under project 'Chatur Chidiya', we converted waste cardboard cartons generated in the factory to bags and stationery items.

iv. Circular economy initiatives

At Sriperumbudur factory, we converted pallet to plywood and used at the distribution centre for truck loading. We also converted jumbo bags to strips that are used for raw material loading.



Before



After

D. Award & Recognition

Asian Paints is the proud winner of the SIES SOP STAR AWARDS 2019 for Innovative Design with cost savings in packaging material (Product Packaging & Plastics - Rigids) category.



E. Raising Awareness through Clean-up Drives

World Ocean Clean-up Day (September 21)

To combat marine pollution from plastic waste, we encouraged our employees and their families to participate in beach and river clean-up drives, at Palavakkam beach in Chennai and at Mithi river in Mumbai, on World Ocean Clean-up Day, September 21. This was an effort to spread awareness about the bane of plastic pollution among our employees.



Palavakkam beach clean-up by Sriperumbudur Team



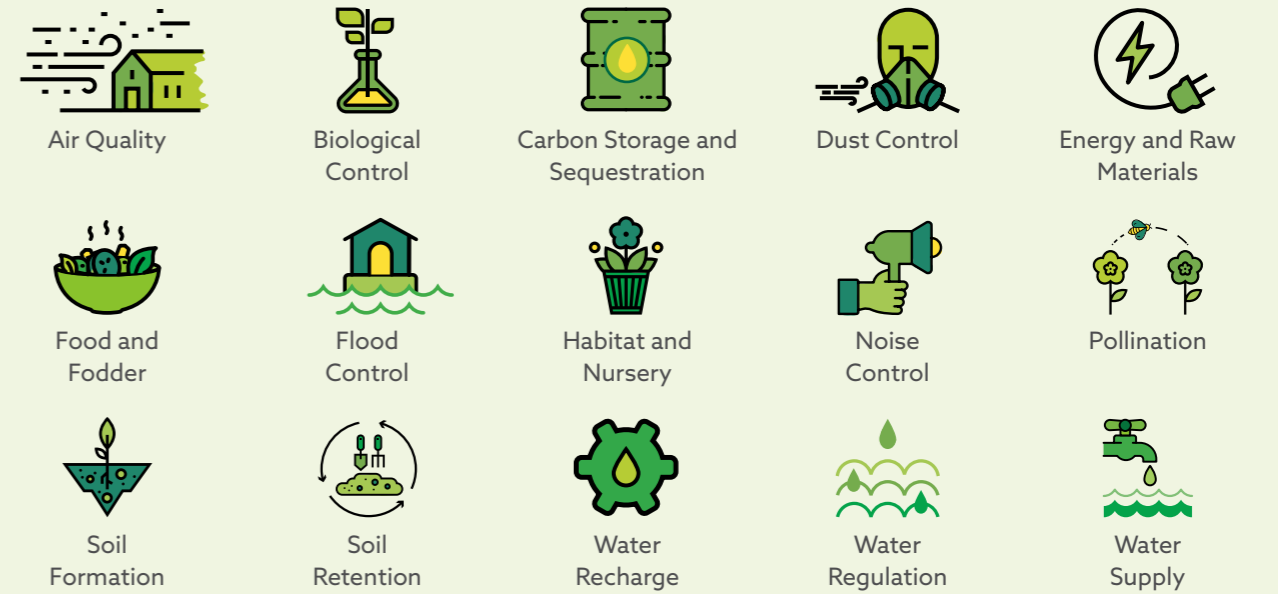
Mithi river clean-up drive



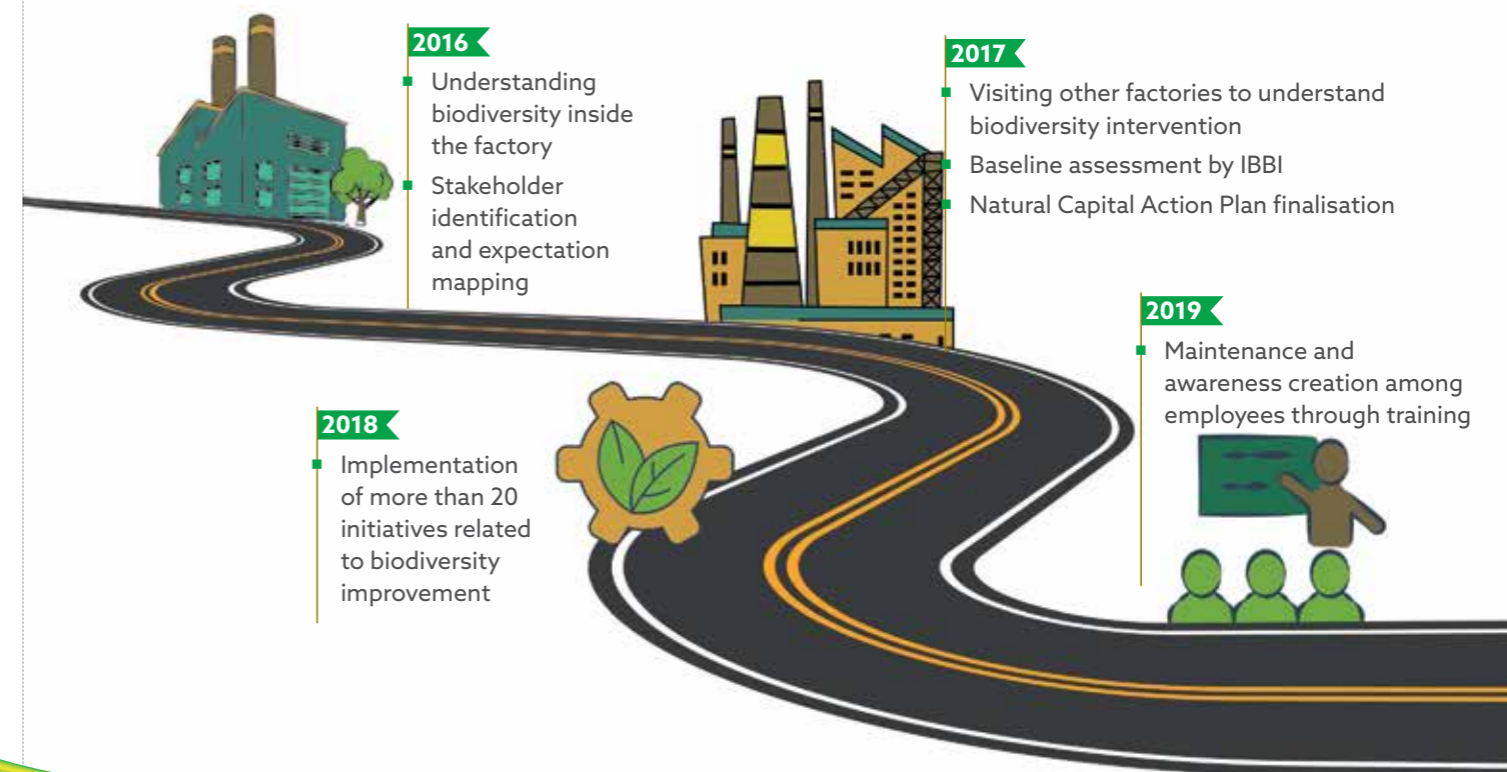
F. Building Green Infrastructure

Biodiversity and ecosystem services have direct as well as indirect linkages to the business operations of Asian Paints.

Ecosystem Services



1. Biodiversity Journey at Sriperumbudur Factory





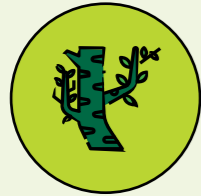
2. Biodiversity Initiatives at Sriperumbudur

i. Removal of invasive tree species

Removed invasive tree species like Subabul and Milingtonia, which had a negative impact on native trees.



Removal of invasive species



ii. Afforestation with native species

- a. Planted more than 2,000 native species
- b. Planted more than 200 aromatic plants



Native species plantation in Srivanam 2.0



Aromatic species plantation

iii. Installation of more than 100 nesting boxes for wildlife

Nesting boxes were put up as part of a bird conservation strategy.



Nesting boxes



Nesting box installation



3. Biodiversity at New Factories

i. Vizag factory

Development of fruit orchard and aromatic garden within the plant, leading to natural beautification of the landscape.



ii. Mysuru factory

Lush green landscape of over 53,000 trees developed within the plant. The focus was on nurturing a green belt, afforestation of existing land, and encouraging biodiversity. Conservation of a natural pond with a capacity of over 6,000 KL has also been achieved.

Initiatives at Mysuru



Medicinal Garden



Miyawaki Method



- a. More than 20 medicinal species are planted, including Eclipta Alba, Karpoora Valli, Alpinia, etc.

- b. More than 31,000 trees planted through Miyawaki Method

- c. **Xeriscaping**
Xeriscaping is a landscaping method that uses as many native, drought-resistant plants as possible and arranges them in efficient, water-saving ways.

4. Green Building Certification

Asian Paints Mysuru plant received the Platinum rating under the IGBC Green Factory Buildings Rating System. The Platinum rating is recognised as Global Leadership, according to the IGBC certification level.



G. Extended Producer's Responsibility for Plastic Waste

We have made a genuine effort to keep pace with the changing regulations around plastic waste management. Through our attempt at Extended Producer's Responsibility, we have been able to collect and recycle more than 1800 tonnes of post-consumer flexible plastic across 14 states in India. This has been made possible by harnessing the capacity of waste pickers, collection centres, and recycling/co-processing plants that work in tandem.



STORY OF SOCIAL INCLUSION



Hassan Khan

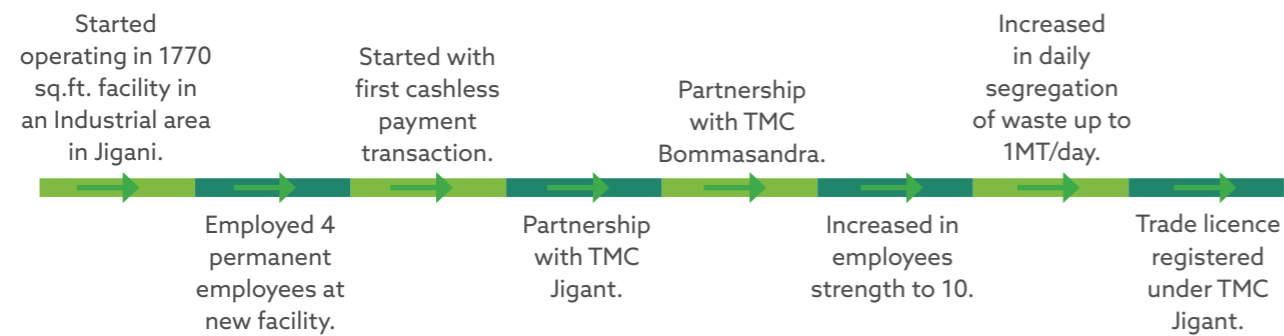
Hassan Khan, 26, started working in the waste sector in 2010 as an informal worker. He managed a small unlicensed waste collection facility with 17 temporary workers in Begur, Karnataka.

He dreamt of operating a material recovery facility and give waste workers proper working condition and compliance, uplifting their life. We provided the financial assistance he needed, while SAAHAS pitched in with on-ground support, helping Hassan realise his dream.



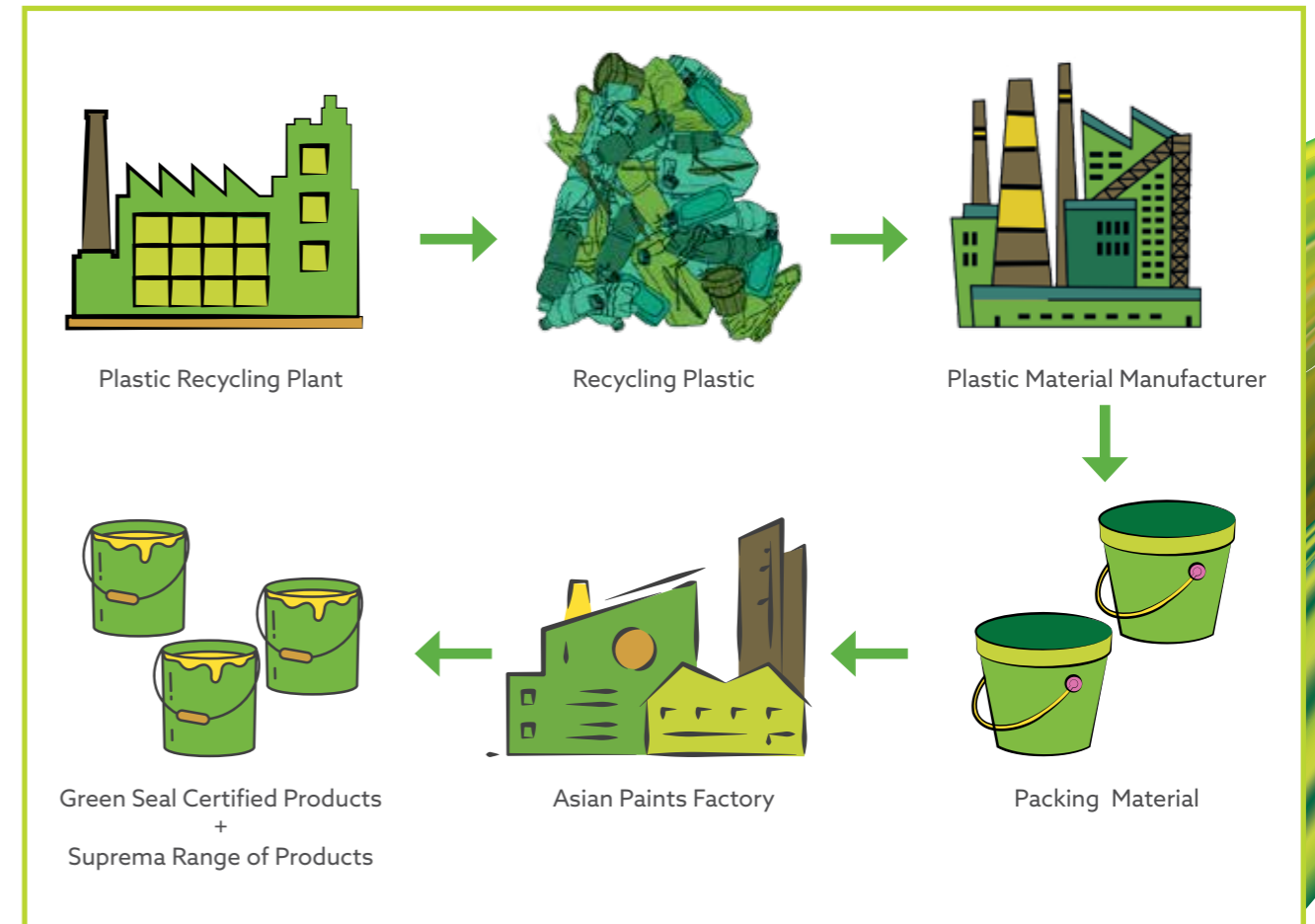
Hassan Khan and his team of waste collectors in Karnataka were helped by Asian Paints and its partner waste management organisation to expand their operation and run a material recovery facility

Milestone Achieved by Hassan



H. Rethinking Plastic Packaging

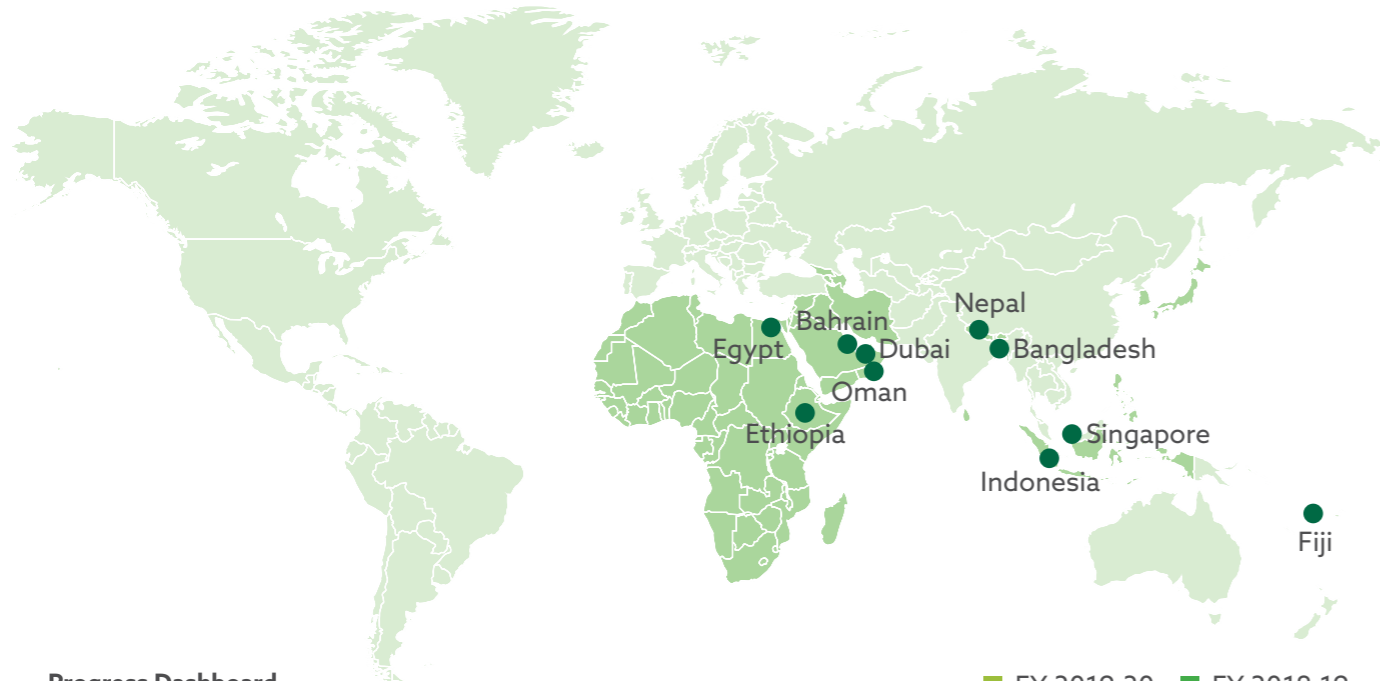
We have been using recycled plastic in our Green Seal Certified products. In 2019, recycled plastic content was introduced in the packaging of our Suprema Range of products also, thus leading to an increase in the total quantity of recycled plastic from 71,000 Kg in FY2018-19 to 245,000 Kg in FY2019-20



INTERNATIONAL BUSINESS UNITS

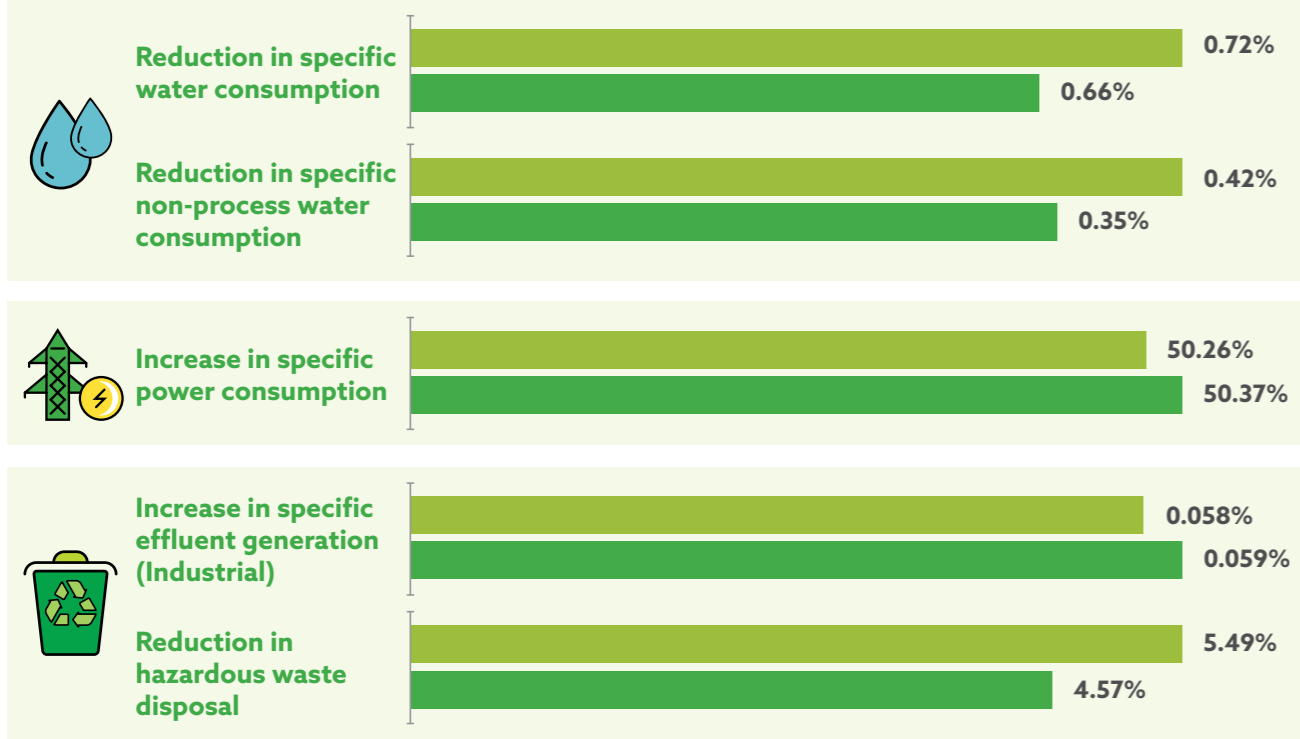
Our International Business Units (IBU) in Dubai, Bahrain, Oman, Egypt, Ethiopia, Bangladesh, Nepal, Sri Lanka, Singapore, Indonesia, and Fiji are included in the scope of reporting for FY2019-20.

Since these units have different targets, performance levels, and baseline year as compared to the Indian Units, we are reporting them separately in this section. However, our endorsement of environment-friendly procedures and processes remains the same across the world.



Progress Dashboard

FY 2019-20 FY 2018-19



All reductions are w.r.t base year FY2014-15 except for hazardous waste where it is FY2015-16.

A. Energy Conservation through Tech Upgrade

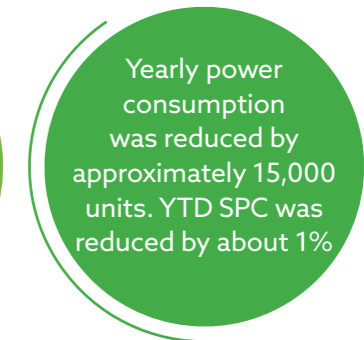
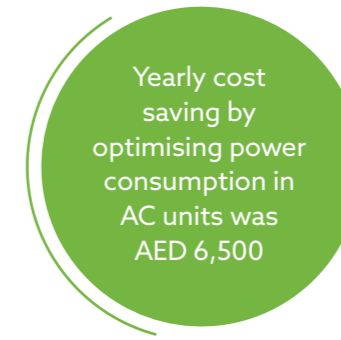
1. New Installations at Dubai Unit

- i. Installation of AIRCO saver (retrofitted energy-saving device) to optimise power consumption in AC units.



AIRCO Saver

- ii. Existing capacitors in the capacitor bank were replaced along with revamping of 400 KVAR capacitor bank to optimise the power consumption by inductive loads (motors). Achieved around 7% reduction in current consumption for the given KW.



2. Energy-efficient lighting at Egypt Unit

Initially, store lighting contributed to 8-11% of the total power consumption. We changed the conventional lighting system to skylights in stores and cut the figure to 2-4% of the total power consumption.

B. Waste Reduction through Solvent Optimisation

Sludge is generated from the waste solvent recovery process. This was reduced by increasing the reuse of waste solvent in batches. Fiji and Oman units are utilizing an average of 3.5 kl and 2 kl of waste solvent per month in the batches.



HEALTH & SAFETY



Significant improvement in Engineering Controls by executing safety related capital expenditure of **15 crores**.



Over **17,800** Safe Unsafe Act (SUSA) conversations during FY2019-20 for promoting a safety culture



Over **28,400** Proactive reporting (leading indicators during FY2019-20)



Over **56,900** Training man-hours invested in health and safety capabilities during FY2019-20

Health and Safety

We give utmost importance to safety and wellbeing of our people. With the objective of Zero injuries, Zero occupational illness and Zero property damages we continuously upgrade our infrastructure. We also continuously motivate our employees to follow safety rules and regulations through cultural interventions.

We have a safety-first culture and follow industry-accredited best practices on health and safety across our operations.

Our manufacturing plants and office compounds are designed for the safety of our workforce, for protecting the environment and for maintaining the integrity of our assets. We are committed to enhancing safety at our field units and preventing workplace-related accidents and illnesses.

We have strengthened our infrastructure and technology, enhancing inherent safety at our manufacturing units and offices.



A. Proactive Improvements and Safety Performance

We give top priority to employee safety as well as their well-being as a matter of company policy. We work proactively at all levels to identify potential issues or concerns, and develop measures to address them.



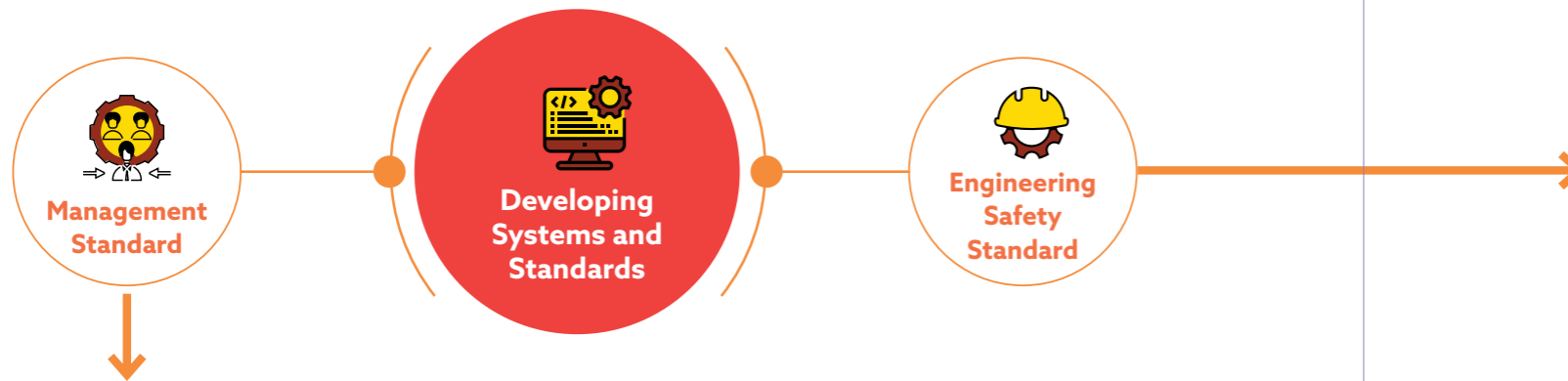
To achieve this, we emphasise on regular performance review, trainings, root cause analysis of incidents, as well as promoting a learning culture across the organisation, including best practice sharing. The importance of these efforts were reinforced subsequent to the unfortunate incidents at our Taloja and Vizag factories. Subsequent to the internal investigations, we have strengthened our processes across all locations as a part of risk mitigation.

Year	Total Reportable Incident Severity Rate	Total Reportable Incident Frequency Rate	Man-Days Lost	Reportable incidents	Number of Work-Related Fatalities	Total Man-Hours Worked
2017	33.3	0.4	566 [#]	6	0	17007102
2018	42.2	0.6	722 ^a	10	0	17100199
2019	628.7	0.6	12433 [*]	12	2	19775778

Note:

- The above table includes data from our decorative and non-decorative business units.
[#]includes 365 man-days lost on account of one injury that occurred in 2014
^aincludes 364 man-days lost on account of one injury that occurred in 2014
^{*}Total Reportable Incident Severity Rate in CY2019 and Man-days Lost is high due to 6,000 man-days lost, each, for 2 fatality cases.
- The above table indicates performance of units which are in addition to the units under Independent Assurance Statement.
- The reporting period for safety performance is calendar year.

B. Developing Systems and Standards



I-SAFE

Our Safety systems are derived from world class standards like BSC/OHSAS. To further enhance the effectiveness we have upgraded to a cloud-based safety management platform.

Aptly branded as **I-Safe**, this platform gives us a central company wide repository for all information related to safety and allows us to analyse safety performance, share best practices across manufacturing locations and also engage the teams through information bulletins around safety.



INCIDENT MODULE

- Ease in performing incident investigation & analysis
- Effective management of the entire incident life-cycle
- CAPA tracking and compliance to SMS requirements
- Real-time reports

BEHAVIOUR-BASED SAFETY

- Completeness in terms of replicating the existing BBS module
- Tracking of open Safe Act and Unsafe Act (SUSA)
- Lead and lag indicators to facilitate proactive decision-making

INSPECTION MODULE & AUDIT

- Equipment-wise inspection
- Effective management of the entire audit life-cycle
- Track all audit/inspection related non-conformities
- Tracking of open action item

BROADCAST MODULES

- Platform for best practice sharing
- Mass communication

CALENDER

- Managing, tracking, and ensuring compliance of every safety-related event. Example : Mock drill.

TASK MANAGEMENT

- Effective management of the entire task
- Tracking of Horizontal Deployment of Corrective and Preventive Actions (HD CAPA) compliance

HARP MODULE

- Digitalization of Hazard Assessment and Risk Prevention (HARP)
- Lead and lag indicators to facilitate proactive decision making.

We interact with policy-makers, regulators, and authorities to continuously update and develop our safety standards. We also interact with a variety of organisations to keep ourselves updated with best practices.

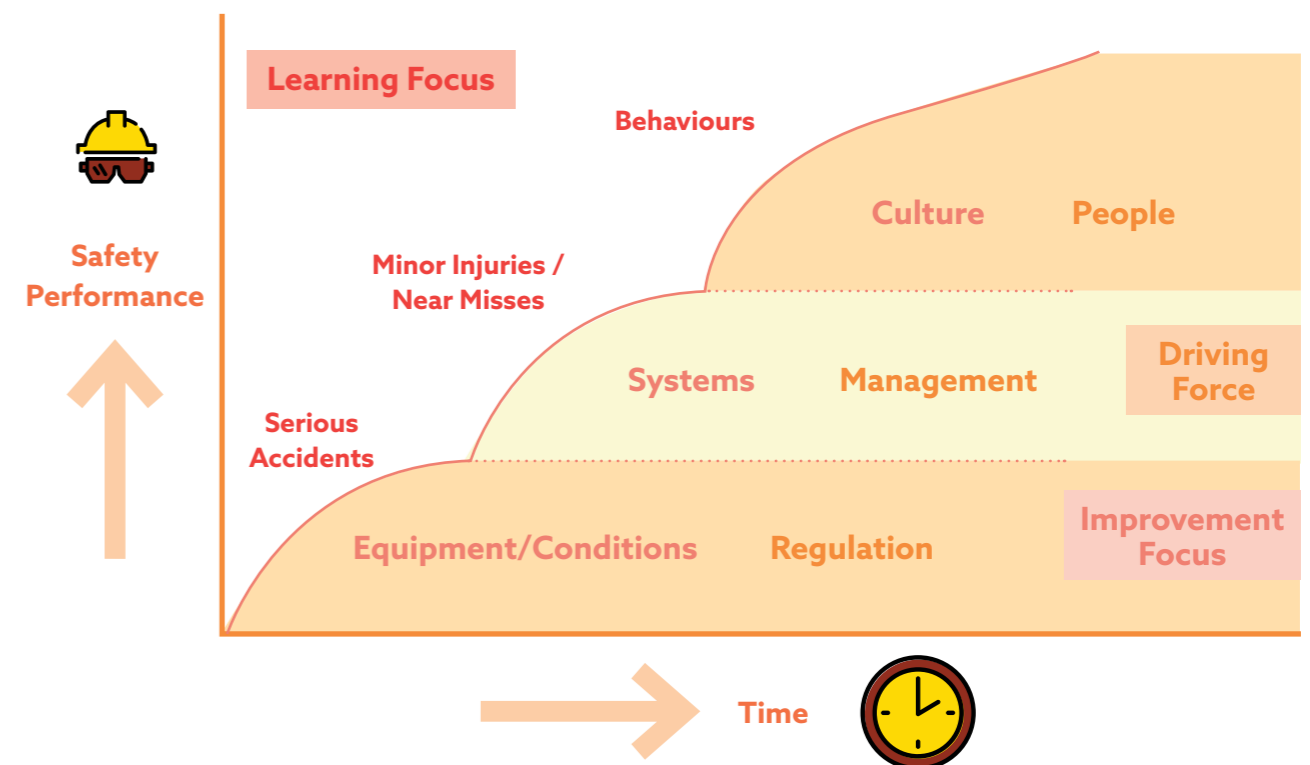
i. Upgradation of engineering standard for Material of Construction Standard (MOC)

We have upgraded the engineering specifications for materials used for construction of our production process, storage and transfer equipment such as pipelines, tanks and valves. Given the wide range of raw materials used in our production process, including highly corrosive materials with pH less than 5, we have upgraded the process equipments in our Patancheru and Kasna factories to prevent any untoward incident. This will be further deployed as required in our other factories.

C. Enhancing Safety Culture

Around 80-95% of accidents at manufacturing plants are triggered by unsafe acts.

Our safety management system aims at eliminating unsafe acts. Initiatives like Behaviour-Based Safety (BBS), Touch On Safety (TOS), Life-Saving Behaviour (LSB) help us to move towards zero accidents.



1. BEHAVIOUR-BASED SAFETY

The Behaviour-Based Safety (BBS) initiative is a structured intervention programme aimed at taking all of our decorative plants to generative stage (highest maturity stage) in the next five years. First, factories undergo a baseline assessment to establish the maturity level. Then, periodic assessment is done every two years to review the progress made. Refer Safety Culture Benchmarking on Page No. 43.

We have also developed an e-learning module on BBS for employees and have a digital safety platform in place to monitor behavioural change trends. BBS is branded for each factory, keeping in view the regional context.



- C** - Committed to Safety
- R** - Recognise safe behaviour
- I** - Improve safety Performance
- S** - Speak up
- S** - Stick to the rules
- H** - Help each other

Ankleshwar

BBS pilot was first launched in the Ankleshwar factory in 2014. After it yielded positive results, it was extended to other manufacturing locations. BBS is branded 'CRISSH' in Ankleshwar.



I am CHAMP

- C** - Challenge to Improve
- H** - Help
- A** - Adhere
- M** - Make it happen
- P** - Participate

Patancheru

Communication and engagement is the driver here. The commitment of the management team is making a great example of 'CHAMP'. The aim of BBS is that everyone should go home safe and healthy every day.



Kasna

The initiative here is branded 'Pratibadhh: Pratham Parivartan Mujhse', meaning 'change or transformation starts with me'. It is based on core values like being proactive, accountable, learnable, and responsive - in order to make the workplace safer and cleaner.



Safety Culture Benchmarking

	Ankleshwar	Patancheru	Sriperumbudur	Khandala	Rohtak	Kasna
Chaotic						
Reactive		2016				2018
Calculative	2014	2018	2018	2018		
Proactive	2018 & 2020				2018	
Generative						

Initial Assessment Reassessment

Rohtak

BBS is branded as 'Bhai Bandhu Suraksha' which means safety of friends and relatives. The aim is to enhance and sustain strong safety culture among all employees and families.



Khandala

The BBS drive at Khandala is known as 'Parivartan: Shuruat Mujhse' (Change Starts with Me). The 3 faces in the logo represent change. The face in the foreground indicates the stage where the mind thinks and cares about safety at the factory and at home. The C shape has 5 icons that represent the 5 BBS themes: Leadership Commitment, Management Behaviour, Employee Responsibility, Proactive Safety Improvement, and Communication.



Sriperumbudur

'I Lead' is all about focussing on the values and beliefs of individuals to set the bar higher for the safety culture, making system compliance 100% at all times by all the people.



The Man Behind Kavassam

2. LIFE-SAVING BEHAVIOUR



Asian Paints Life-Saving Behaviour is intrinsic to our business and is applicable to all individuals who work with us. The logo signifies Asian Paints Values and Care for its people's safety.

The tag line 'Apni Suraksha Apne Haath (Our Safety Is In Our Hands)' inspires each one of us to take ownership of our actions. Our code of 12 life-saving behaviour forms a powerful tool and helps transform employee attitude towards safety.



3. SAFETY COMMUNICATION THROUGH TOUCH ON SAFETY



Touch On Safety is our initiative to touch people's values, beliefs, and attitudes towards safety through seamless communication at all our business establishments.

We sensitise people on safety at the beginning of various forums like meetings and presentations. This encourages people to start thinking about safety consciously and sub-consciously.

EXAMPLE OF TOS AT DAILY PRODUCTION MEETING



4. EMPLOYEE TRANSPORT VEHICLE SAFETY



Seat belt provision for driver and passenger safety



Safe driving training for driver/conductor every 6 months



Ensuring that vehicle has first-aid box, firefighting equipment etc.



Checking driver for fitness certificate, insurance, registration etc.



Vehicle hygiene checklist



Do's and don'ts list displayed inside every bus



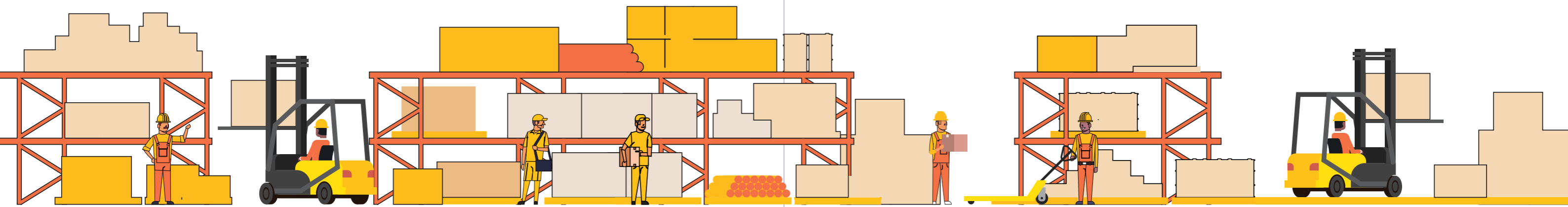
Alcohol test conducted for drivers randomly every fortnight



Conducting monthly meetings for resolving employee grievance with transport agency



Bus route with safe stoppage for employees



5. NATIONAL SAFETY WEEK

We celebrated the 49th National Safety Week across all manufacturing locations and other locations like sales depot, Research and Technology facility and offices. Our campaign was aimed at motivating people in making safety a part of work culture and lifestyle.

There were awareness sessions, theme-based games and pledge-signing, and seat belt convincer trainings to bring down injuries and road incidents.



Awareness session for drivers at the Kasna plant



Interaction and pledge-signing at the Head Office



Employees get seat belt convincer training at R&T



Theme-based games and activities at the Khandala plant



Safety week celebrations at transshipment location

6. EMBRACING DIVERSITY AND INCLUSION

Asian Paints is on a journey to be a pioneer in equal opportunity employment. To embrace diversity and inclusion, we have taken the initiative of deploying women in night shift operations at the Mysuru plant from January 1, 2019. To ensure their optimal productivity and safety, a number of measures have been taken:



1. Safety, Security, and Transportation

This is a key factor not only from statutory point of view but from providing an overall sense of comfort to the employee. Availability of a female security guard 24x7, GPS tracking of transportation vehicles, panic button, wearable safety device, proper lighting, and all-round CCTV coverage ensures round the clock security to the employees.

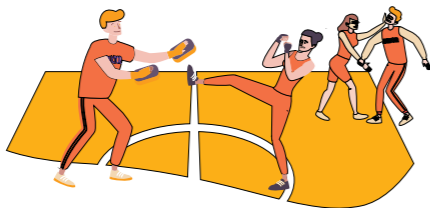


2. Welfare Facilities

A rest room is provided in the packing floor area to ensure compliance with the Factories Act provisions. It ensures the availability of all basic amenities. During the third shift, a female nurse from OHC is shifted to the rest room so that she can stay with other female employees and attend to any medical emergency immediately.



A self-defence training session



3. Sensitisation Trainings

Multiple training sessions are conducted for the female employees including basic self-defense training. An Internal Complaints Committee is setup to address any grievances.



Virtual reality training

D. Occupational Health and Wellness

We have best-in-class occupational health and wellness centres at our manufacturing plants.

The focus is on creating a holistic work environment through various initiatives. We have industrial hygiene programmes based on target exposure monitoring.



Stress management session for employees at the Khandala factory



Blood donation camp at the Mysuru factory



Financial wellness session at the Vizag office

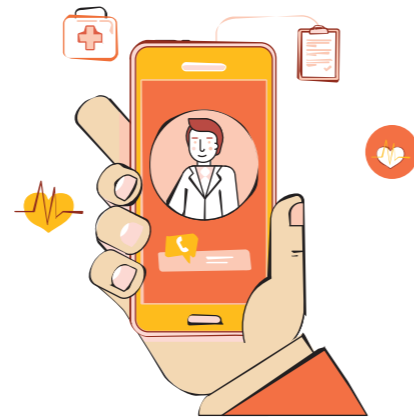


Winter illness and sanitation session in Kasna

These are a few of the wellness initiatives run successfully in our corporate office in FY2019-20.

1. Mental Health

We collaborated with Optum Health & Safety technology for 'A-Pal'. A fully confidential support and counselling programme designed to provide life coaching and services to employees. The 24/7 service, available through phone, PC, and mobile app, is free for all Asian Paints employees and immediate family members.



2. Global Plank Challenge

The purpose of this initiative was to challenge employees in building stamina and strength, manifested by holding the plank position for a long duration.



Employees from 12 countries participated in the Global Plank Challenge



3. Desk Yoga Session

Long hours on a chair can stiffen the joints and put pressure on the spine, leading to tiredness. A desk yoga session was arranged for the employees, teaching them light yoga postures that can be performed easily at the desk.

4. Global Step Challenge

We launched a global step initiative throughout November for all Asian Paints employees. The purpose was to encourage employees to walk/jog/run daily. Team and individual challenges were part of this initiative.



Impact story

At the Taloja factory, employees started working on their performance 15 days before the launch of the challenge to set a better target. Preparation for the challenge included:



300
km target in 1 month was achieved by 115+ employees



44,800
km was covered in 1 month by Team Taloja

■ Employees setting a per person target of covering 300 km in one month

■ Management guiding employees on safety measures and promoting group walks on plant premises

■ More than 85 employees purchasing fitness bands to keep track of individual performance



Group walks on factory premises



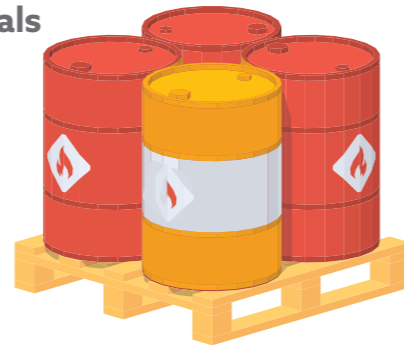
Employees skipping transport facility to achieve daily targets



Employees participating in marathons to complete target session

E. Management of Hazardous Chemicals and Raw Materials

More than 1,000 chemicals are handled in our plants. We classify Raw Materials (RMs) into four bands: Red, Orange, Yellow, Green, according to the hazard level. On the basis of this colour coding, we replaced hazardous RMs in a phased manner from our factories, based on viable alternates availability. We also strengthened the infrastructure for the safe handling of raw materials.



1. Raw Materials are Screened at 2 Levels

i. First-level screening is done to check any major discrepancy in supplied data

Major points checked in first-level screening are:

- Complete Material Safety Data Sheets (MSDS)
- Availability of ingredient Chemical Abstracts Service (CAS)
- Mention of dust explosion / Respirable Crystalline Silica (RCS) data in case of powdered RM
- Standardized information acquisition format for vendors

ii. Second-level screening of RM is done with respect to CAS. Operational feasibility of the materials is evaluated and guidelines formulated for the handling of raw materials.

2. Engineering Schemes for Management of Hazardous Chemicals and Materials Objective:

- Emphasis on reduction of exposure to vapours
- Prevent splashing to prevent exposure to skin

3. Few Handling Schemes are Listed Below:

- Addition from pipeline to various equipment from day tanks with individual / common pumping system based on compatibility of material
- Portable movable trolley with small tank with load cell arrangement for weighing. Required quantity of material is added manually from this trolley by gravity to the related paint-processing equipment

F. Learning from Incidents

1. Automation for Pallet Handling

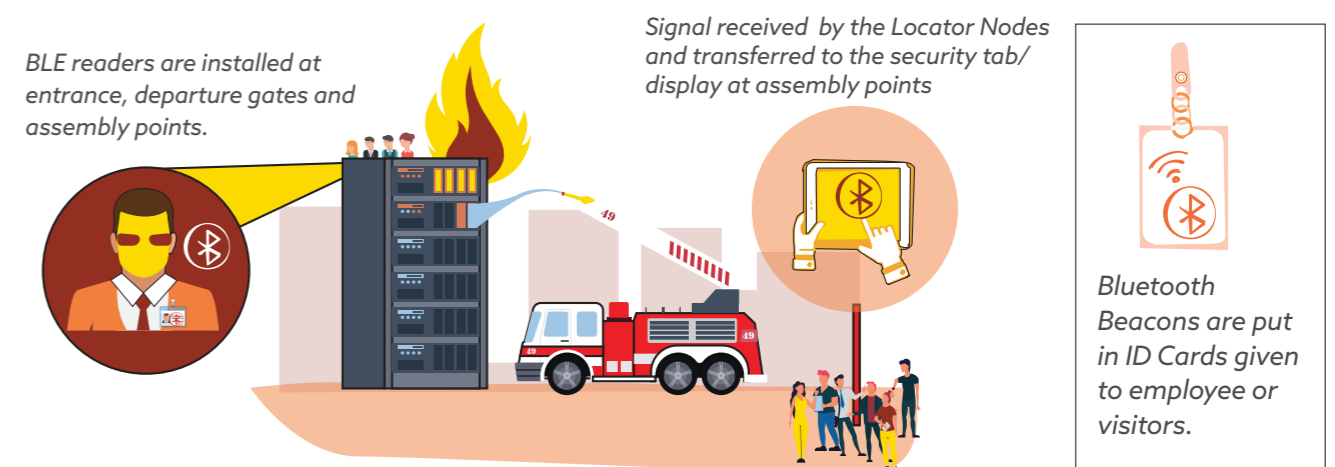
Due to pallet stack misalignment, there were incidents of pallet falling on conveyors. We have automated the pallet aligner and integrated it with pallet feeding conveyors. at Mysuru and Vizag factories.



Automated pallet aligner at the Khandala factory

2. Headcount Management System

The current process of headcount management, as experienced during mock drills at the plants, is not fully efficient. Tracking mechanism is time consuming and obtaining a real time information was a challenge. We have initiated implementation of a people management system with Bluetooth low energy-based technology (BLE) at the Vizag and Mysuru factories. We have set up a BLE Reader at all blocks (entry and exit) and assembly points. We have also given BLE tags to all employees at factories. Through these BLE Readers, real-time tracking of people is possible in a factory. This helps in better control in case of an emergency. The system is installed and implementation is being streamlined.



G. Horizontal Deployment of Corrective Action and Preventive Action

Below are few of the learnings from incidents that we horizontally deployed across all manufacturing locations.

- 
Nylon Sling
 Nylon sling to be used in accordance with the guidelines given in lifting tools & tackles of engineering manual
- 
Hand Rails
 Hand rails provided on both sides of staircase.
- 
Diphtherine Solution
 Diphtherine solution to be kept at Occupational Health Centre for first aid of Chemical burn
- 
For Twin Shaft Dispenser (TSD)
 - Sprint washer to be used
 - Defined frequency for Vibration measurement in TSD
 - Shaft alignment to be checked during preventive maintenance
- 
Air Shower System
 Air shower system for de-dusting clothes and body
- 
FRLS Cables
 Normal cable to be replaced by Flame Retardant Low Smoke (FRLS) cables at identified locations
- 
Lift Plan
 To ensure that the lift occurs safely and correctly while operating hoists
- 
Gravity Interlock
 Hoist to be provided with Gravity interlock in series with limit switch

H. Certifications, Rewards and Recognition

1. Rohtak plant won the 'Excellence in Safety Award - 2019' in the large industry category, presented by Manufacturing Today at the national level.



2. The Kaizen competition organised by CII encourages companies that prioritise continuous improvements. Sriperumbudur factory won three awards at the Kaizen Competition in 2019.



1st Prize - Operator Category

1st Prize: Operator Category

Kaizen: Strap replacement in organic half-face mask, instead of replacing entire mask

Benefit: Cost optimisation of ₹ 60,000 per annum



2nd Prize - Supervisor Category

2nd Prize: Supervisor Category

Kaizen: Instead of pushing the paint with compressed air from mixer, air-operated double diaphragm pump is installed to pull it

Benefit: Safety hazard elimination; SPC savings of ₹ 8 lakh per annum



3rd Prize - Operator Category

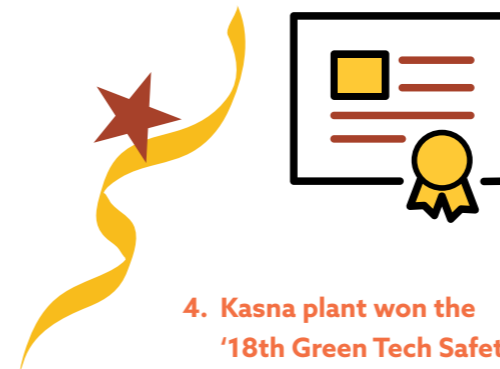
3rd Prize: Operator Category

Kaizen: First In First Out (FIFO) system for storage of printing ink in packing

Benefit: Customer complaint and equipment breakdown reduction and elimination of ink wastage



3. Rohtak plant was awarded the 'Sword of Honour 2019' by British Safety Council.



4. Kasma plant won the '18th Green Tech Safety Award - 2019' in the Chemical Sector.



5. Research and Technology Centre is certified for ISO 9001:2015 and ISO 45001:2018.

6. Corporate Office in Mumbai and Shared Service Centre in Goregaon is certified for ISO 9001:2015.

7. Manufacturing units - Ankleshwar, Patancheru, Kasma, Sriperumbudur, Rohtak, and Khandala - are certified for ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018.

COMMUNITY



Over **2,00,000** treatments through various health initiatives



Over **1,47,400** Participants attended training sessions at the Asian Paints Colour Academy



Over **28,500** beneficiaries directly impacted through our education initiatives in FY2019-20

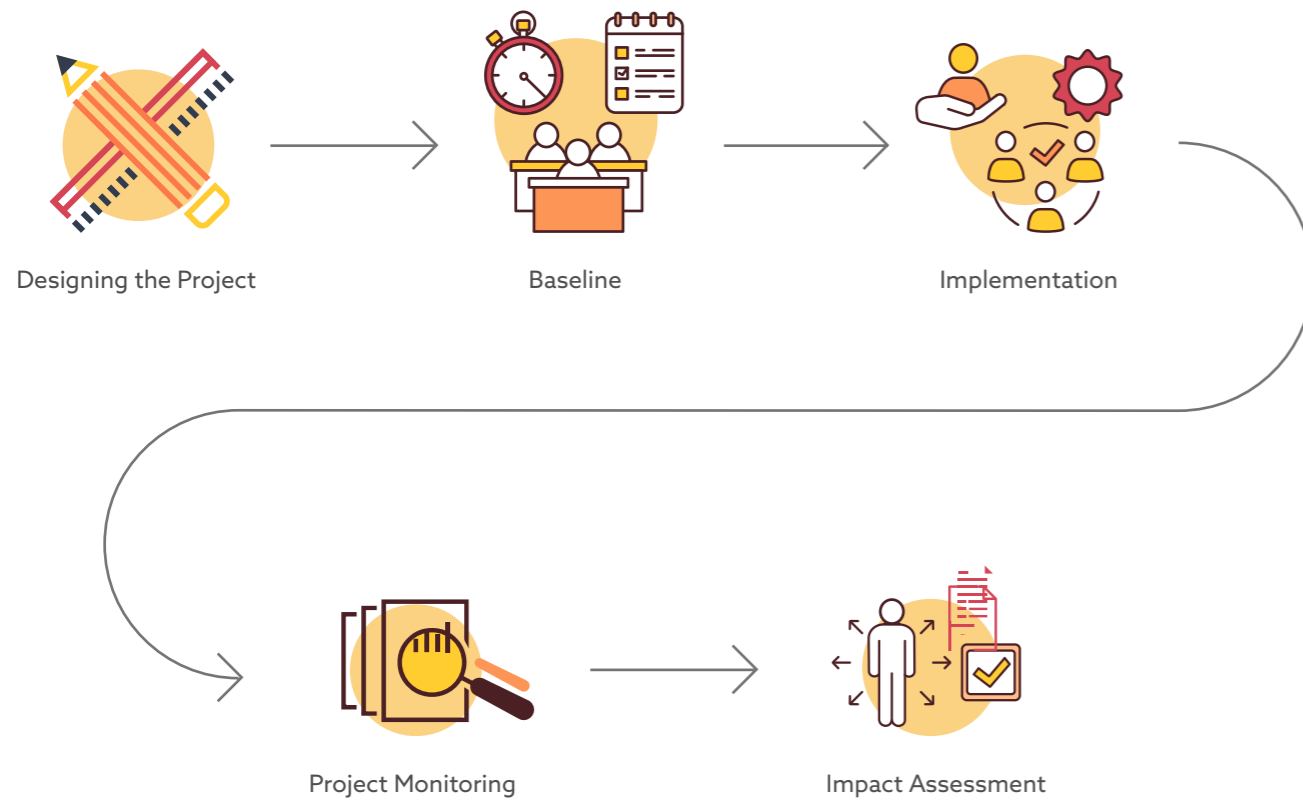
Community



We proactively bring our employees into the volunteering space, making Asian Paints an integral part of every community that is our neighbour, and our CSR projects deliver significant outcomes.

Our Corporate Social Responsibility approach is designed to bring about holistic development of communities. We strongly believe that CSR should not be a one-time engagement; rather, it has to bring about a social transformation through continued effort.

All our CSR initiatives are strategically designed and monitored for tangible progress and achievement of targeted outcomes.



A DAY IN THE LIFE OF OUR VOLUNTEER EMPLOYEES

At Asian paints our employees are at the forefront for driving CSR efforts in the community. This is the best way for the organisation to connect with the people who live close to our sites.



A. Education – Building blocks of progress

Our education initiatives are based on the concept of first providing the basic infrastructure for quality education and then offering streamlined guidance and lessons to those availing of that infrastructure.

We track student progress and learning outcomes are measured to assess the efficacy of our initiatives.

28,500+ beneficiaries directly impacted through our education initiatives in FY2019-20

155+ schools and centres in 10 locations around India helped by our education initiatives

1. SCHOOL ADOPTION: GYAN SHAKTI PROGRAMME

Gyan Shakti is a 3-year programme designed through stakeholder involvement (teachers, students, parents) and school requirements. **The objective of this programme is to take a holistic approach to education for students of Class III to Class VIII.** We have this programme running across 6 schools in Rohtak and Patancheru.

Focus areas of this programme:



- Remedial education in Maths, Science and English



- Subject enrichment through technology-enriched learning experiences



- 21st century skills focussing on communication, creativity, collaboration, critical thinking, and digital literacy



Students learning under Gyan Shakti



Visit by employees

10% Improvement in midline results vis-à-vis baseline results in learning levels of students

More than **1,500** direct beneficiaries

2. EDUCATION FOR EMPLOYABILITY: NAYA SAVERA

Assessment factors for school dropouts

- Building personal vision for future
- Ambition
- Confidence



- Basic necessities
- Financial inclusion
- Soft skills and digital skills

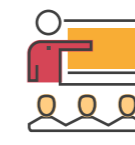
- Social acceptance
- Inequality

Naya Savera helps transform the lives of school dropouts through education and training. It enables them to earn a decent livelihood. We have this programme running in 15 centres across 9 states.

Focus Area of programme:



- Foundation-building and digital literacy



- Context-based learning and on-the-job training



- Life skills, career guidance and counselling



Confidence-building exercise by focussing on positive thinking



Naya Savera mentor-mentee interaction

More than **750** direct beneficiaries

BENEFICIARY STORY

Jayesh Shah before and after his Naya Savera training



Jayesh Shah is a school drop-out who grew up in the streets of Mumbai. He successfully completed his Naya Savera training in February 2019. After this, he briefly worked with a photo studio, earning around ₹ 8,000 a month. Now, he runs his own mobile service shop, earning ₹ 15,000-20,000 a month. He wants to expand his business and use the earnings to support needy and delinquent children, and bring them back to the mainstream.

3. DIGITAL LITERACY THROUGH LEARNING MANAGEMENT SYSTEMS

The objective of the programme is to introduce computer-aided learning to young children. We have this initiative running across Mumbai and Khandala. This programme builds digital literacy of students and improves upon Maths and English literacy through videos, digital activities, online assignments and quizzes.



Students learning through online assignments

50%

of the students improved their learning outcomes in English, Maths and digital literacy in less than 6 months

BENEFICIARY STORY

Samruddhi Kholape, 10, at the Asian Paints digital literacy class

Samruddhi Kholape, a 10-year-old student of 4th standard at Pragati High school, Shirwal, is one of the young beneficiaries of our digital literacy programme.

Her family does not own a computer, but our programme has given the child access to a PC, and she has picked it up really well.

Samruddhi, whose favourite subjects are English and Mathematics, says about our digital literacy classes, "The facilitator gives individual attention in class and explains the topics really well. I like to play games on Gcompris and TuxMath."



4. TABLAB

TabLab is a tablet-based plug-and-play digital learning lab for government schools. The platform guides students of any grade to explore the subjects of junior grades in English and other regional languages. This helps them bridge their learning gaps in a non-judgemental environment. Our TabLab programme has 1,10,000 hours clocked in for digital learning.



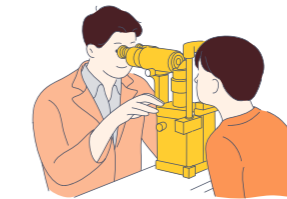
B. Health & Hygiene - Taking care of the people

We have taken a holistic approach to primary healthcare by interlinking our initiatives for truckers and delivering medical services through mobile clinics and static clinics, ensuring better coverage of the CSR target populations.

We also help them to access more advanced treatment through our referral facility and by raising awareness on government healthcare schemes for which they would be eligible.



Coverage to numerous villages and access to healthcare in the local area through health camps (like SAFAR and MMU services)



Screening and identification, ante-natal services, post-natal checkups, awareness on hygiene, eye-care and dental care



Effort towards strengthening referral systems of each health partner to raise awareness and enable access to government health schemes

1. STATIC CLINICS

The objective of this project is to provide affordable and accessible primary healthcare near our manufacturing locations. The Static Clinics focus on RMNCH+A (Reproductive, maternal, neonatal, child health and adolescence), NCD (non-communicable diseases - diabetes and hypertension), eye-care, and general OPD ailments.

29,000+
Through Static Clinics



Health checkups through static clinic

2. MOBILE MEDICAL UNITS ASIAN PAINTS

Through our Mobile Medical Units we reach out to communities in 7 locations (Kasna, Rohtak, Patancheru, Sriperumbudur, Vizag, Khandala, Mysuru).

Our MMUs provide consultations, free medicines, basic diagnostics, referral to govt. hospitals. The MMUs also conduct sessions in the community like awareness and quiz sessions on health. Speciality camps are conducted every quarter to wherein APL employees also volunteers.

1,54,000+ beneficiaries received treatments through MMUs in FY19-20



Health camp through a Mobile Medical Unit



Home visit by a Mobile Medical Unit



Awareness session on healthcare

BENEFICIARY STORY

Healthcare beneficiary Rukkamma, in Patancheru

At the age of 71, Rukkamma, a resident of Patancheru, had a leg fracture. In that difficult time, she received immediate help from our mobile health unit. Now 76, she says, "I have been availing the MMU services for 5 years, since my leg got fractured. The MHU team had responded like my family members and had also come to my home for visits and counselling. Now I am able to walk because of their great support. I am very happy and I feel that God has blessed our village through Asian Paints."



3. SAFAR

Through Safar, we provide free consultation and medicines to truck drivers. We also try to bring about behavioural change through dialogue-based Inter-Personal Communication, awareness programmes, games and street play.

32,000+ Unique truckers covered through the programme



Provided health education to truckers

Improved Health Seeking Behaviour of Truckers

Adoption of Safer Behaviours & Good Health Practices by Truckers



Provided road safety education to truckers

Truckers follow road safety norms/rules & adopt Safer Driving Practices



Increased uptake of health services by truckers

Provide easily accessible Good Quality Health Services to truckers at the halt point - general health services and some specialised services



Medical consultation with truckers

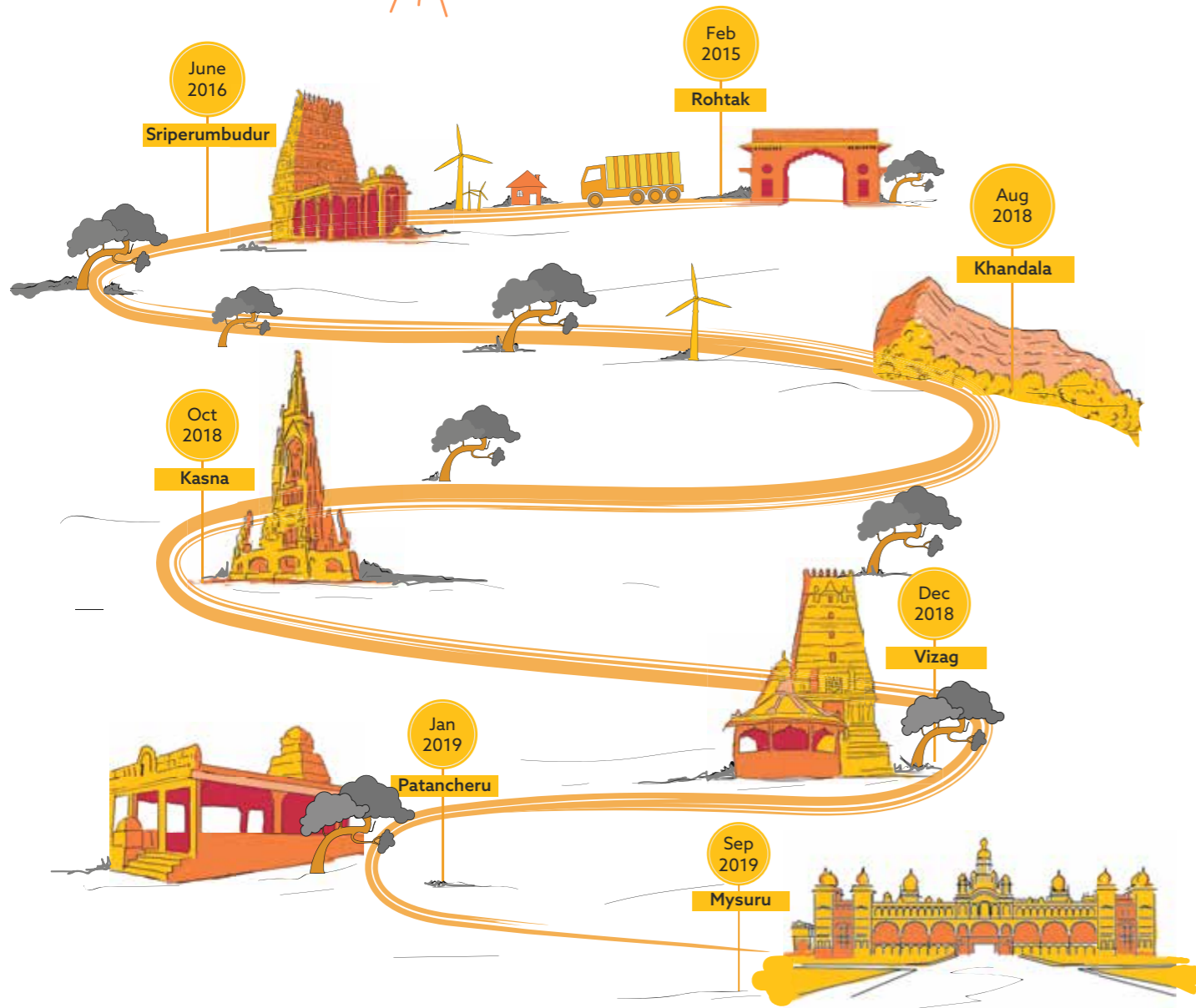


Yoga session for truckers' wellbeing



Street play with a message of good health

SAFAR KA SAFAR



4. DISASTER MANAGEMENT

i. Cyclone Fani response in Puri district, Odisha

The high-intensity Cyclone Fani hit Odisha in May 2019, flattening homes and leaving many people without shelter. We conducted a relief programme in May-June 2019, with the distribution of hygiene kits and shelter kits to 1,500 families in the villages of Jharapada, Panichhatra, Ranapada, Shorishapada, Benipur, and Sapuasahi of Puri district in Odisha.



Relief distribution after cyclone Fani in Odisha

ii. Relief support to flood-affected families in Bihar

The state of Bihar faced heavy flooding in the monsoon of 2019 as a dozen rivers breached their banks. More than 88 lakh people were affected, with a death toll of 130. We initiated a flood relief programme in Sitamarhi district of Bihar, distributing hygiene kits, mosquito net and shelter materials to 1,200 families in 7 villages of Runnisaipur block of Sitamarhi.



Relief material distribution in flood-hit Bihar

iii. Relief support to flood-affected families in Assam

The devastating floods of 2019 in Assam left more than 57.5 lakh people affected in 29 districts. We provided relief and rehabilitation in Baksa and Morigaon districts, distributing hygiene kits to 1,770 families, alongside installation of water purification units and decontamination of water sources such as ponds, wells, and hand pumps.



Relief material distribution in flood-hit Assam

iv. Relief support to flood affected families near Khandala and Mysuru Plant

Support for the families distressed for floods near Khandala and Mysuru plants was extended by our employees in APL Khandala and Mysuru plants. Our employees distributed essential material to communities when the surrounding localities were flooded. The Khandala flood relief activities were carried out by the local MMU, which covered over 22 villages in Kolhapur and Sangli District and provided healthcare to over 2,800 beneficiaries.



Mysuru factory employee serving food to flood victims



Khandala factory employees distributing relief material

C. Vocational Training – Roadmap to a better future

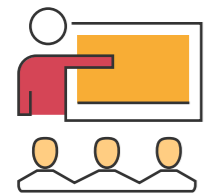
1. COLOUR ACADEMY

Equipped with modern training facilities such as audio-visual classrooms, professional painting workshops, and painting booths, the Asian Paints Colour Academy is a vocational training initiative. We are helping people to develop skills that may make them more employable and empowering them to leverage the emerging opportunities.

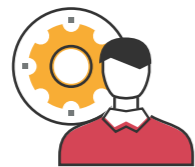
Operating in more than 45 locations across India, we offer training programs across a variety of areas like designer finishes, emulsions, metal care, mechanization, water proofing, wood finishes and wallpaper installation. This helps painters find better professional opportunities in the market.



Approach of Colour Academy



Upskilling and vocational training



Technical knowledge distribution



Productivity and livelihood enhancement



Providing recognition and respect

1,47,400+

Participants attended training sessions at our Colour Academy

87%

Participants reported an increase in income following the training



Colour Academy



Theory session in progress at Colour Academy



Practical session in progress at Colour Academy

BENEFICIARY STORY

Parmeshwar Fakkad Koli



Parmeshwar Fakkad Koli, from Talegaon, Maharashtra was born to a painter father. On account of financial challenges, he was unable to complete his schooling. Parmeshwar accompanied his father to work sites, where he picked up the skill. He soon realised that his potential in the sector was limited since he was acquainted only with basic technical know how of the industry.

To enhance his skills in the trade, he was advised by one of the dealers to enrol himself in for Colour Academy trainings. During the course of time he took up courses in multiple disciplines like Waterproofing, IDF, Mechanisation, Wallpaper, and Wood Finish. He also got trained in premium work like Royale Play texture.

The training helped him increase his earning potential and his reputation as a contractor also grew.

2. UPSKILLING OF PLUMBERS AND CARPENTERS

In 2020, we initiated the upskilling training of plumbers (in Himachal Pradesh) and carpenters (in Chennai, Tamil Nadu)

The 1st batch of plumbers' training started in January 2020 and carpentry in March 2020. More than 250 candidates have completed training to date.



Practical session in progress



Theory session in progress

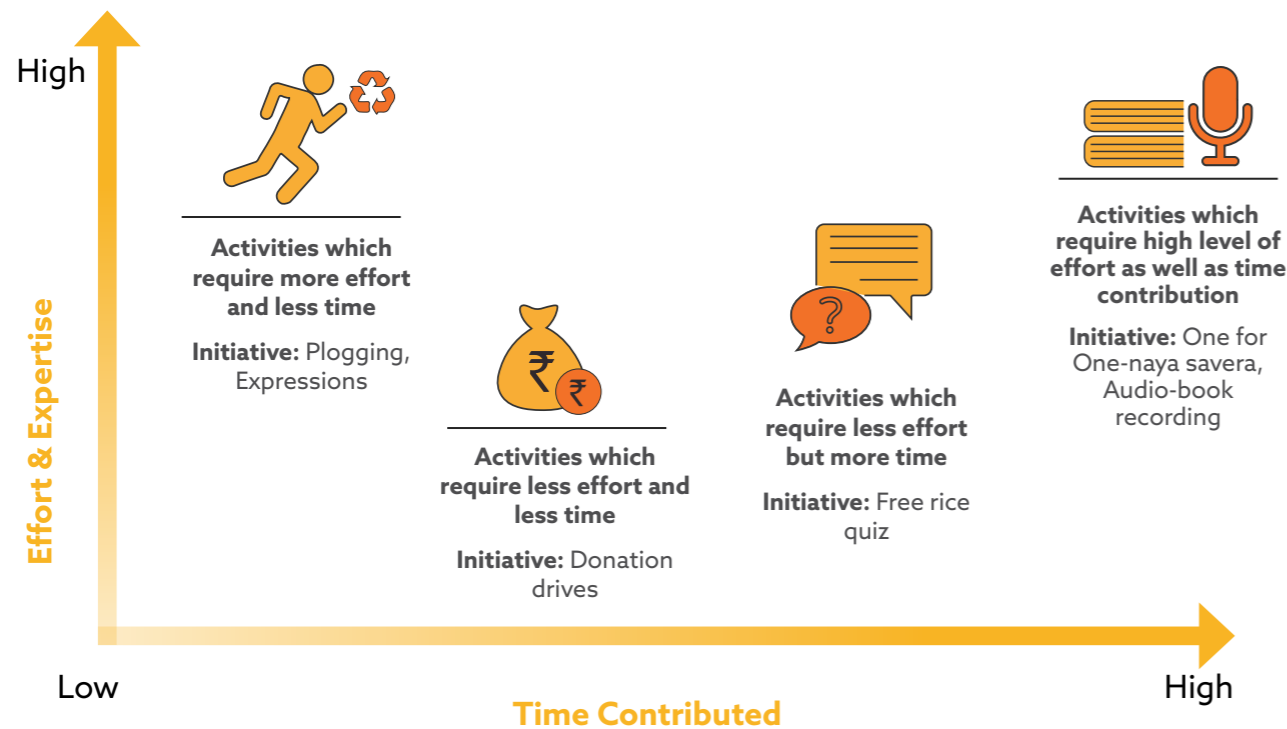
D. Water



Water Management initiatives are covered in the environment section.

E. Involved Employees - Encouraged to help

More than 700 Asian Paints employees took part in various CSR activities during the year, empowered by our strategic approach.



Activities are mapped out as per the effort and time required by volunteers.

At Asian Paints, we encourage our people to go the extra mile and participate passionately in volunteering activities.

Below are examples of four activities conducted in Mumbai.

<p>Audio-book recording for the visually impaired children</p>	<p>Expressions - An exciting and hands-on experience to work with school children to build working models based on scientific concepts</p>	<p>Free rice - A multiple-choice, online quiz game where the more you play and score, the more rice is donated to families in need</p>	<p>Plogging - A marathon where you jog and pick up trash on your way</p>
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Learning activity with school children conducted through the event 'Expressions'

7600+ hours were contributed by employees in volunteering

43,000+ Beneficiaries were positively impacted by the volunteering



Khandala employees painting school wall



Employees clearing their surroundings off waste



KPMG (Registered)
1st Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011, India

Telephone: +91(22) 3989 6000
Fax: +91(22) 3090 2511
Internet: www.kpmg.com/in

Independent Assurance Statement to Asian Paints Limited on its Select Sustainability disclosures in the Sustainability Report for Financial Year 2019-20.

To

The Management of Asian Paints Ltd.,
Kalpataru Inspire
Shantinagar, Santacruz (East)
Mumbai, Maharashtra – 400 055.

Introduction

We ('KPMG in India', or 'KPMG') have been engaged for the purpose of providing an independent assurance on select sustainability parameters in Sustainability Report ('the Report') for the reporting period from 1st April 2019 to 31st March 2020 ('the Year or the Reporting Period') of Asian Paints Limited ('APL' or 'the Company'). Our responsibility was to provide assurance on select sustainability disclosures as described in the scope, boundary and limitations.

Reporting Criteria

Asian Paints Limited has developed its Sustainability Report based on the non-financial reporting criteria derived from key focus areas as defined internally by management of the Company.

Assurance Standards Used

We conducted our assurance in accordance with:

- Assurance requirements of International Federation of Accountants' (IFAC) International Standard on Assurance Engagement (ISAE) 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information.
- Under this standard, we have reviewed the information presented in the Report against the characteristics of relevance, completeness, reliability, neutrality and understandability.
- Limited assurance consists primarily of enquiries and analytical procedures. The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement.
- Reasonable assurance is a high level of assurance but, it is not a guarantee that it will always detect a material misstatement when it exists.

Scope, Boundary and Limitations

The select sustainability disclosures covered under scope of the engagement and related levels of assurance that we are required to provide are as follows:

Reasonable Assurance:

Following select non-financial disclosures in the Report were subjected to reasonable assurance:

- Specific non-process freshwater consumption.
- Specific hazardous waste disposal.



- Specific electricity consumption.
- Renewable energy consumption.
- Specific trade effluent generation
- Greenhouse Gas (GHG) Emissions:
 - Scope-1 GHG Emissions.
 - Scope-2 GHG Emissions.
- Frequency Rate (FR).
- Severity Rate (SR).

Limited Assurance:

Following selected non-financial disclosure in the Report was selected for expression of limited assurance:

- Water Replenishment

The boundary of the assurance covers performance of select non-financial disclosures at following eight decorative paints manufacturing units in India:

- Ankleshwar, Kasna, Rohtak, Khandala, Patancheru, Vizag, Mysore and Sriperumbudur.

The assurance procedure was limited to review of non-financial disclosures as mentioned above for the period from 01st April 2019 to 31st March 2019 for all the disclosures except for Frequency Rate and Severity Rate. The period of review for FR and SR was from 01st January 2019 to 31st December 2019.

Limitations

The assurance scope excludes following:

- Data related to Company's financial performance.
- Data and information outside the defined reporting period.
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company and assertions related to Intellectual Property Rights and other competitive issues.
- Data review outside the manufacturing units as mentioned in the boundary above.
- Strategy and other related linkages expressed in the Report.
- Mapping of the Report with other reporting frameworks.
- Aspects of the Report other than those mentioned under the scope above.

Assurance Procedures

Our assurance process involves performing procedures to obtain evidence about the reliability of specified disclosures. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

Our assurance procedures also included:

- Assessment of Asian Paints Limited's reporting procedures.
- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.



- Review of systems and procedures used for quantification, collation, and analysis of sustainability disclosures included in the Report.
- Understanding the appropriateness of various assumptions, estimations and materiality thresholds used by Asian Paints Limited for data analysis.
- Discussions with the personnel responsible for the evaluation of competence required to ensure reliability of data and information presented in the Report.
- Assessment of data reliability and accuracy.
- The site visits were carried out to the decorative locations at Ankleshwar, Kasna, Rohtak, Khandala, Patancheru and Mysore.
- The reviews for decorative locations at Vizag and Sriperumbudur were carried out remotely with the help of screen sharing tools.

Following additional procedures were performed during review of non-financial disclosures subjected to reasonable assurance:

- Review of systems, processes, as well as internal and external controls.
- Review of records and testing, including re-calculation, of sample data to establish an assurance trail with increased sample size.

Appropriate documentary evidences were obtained to support our conclusions on the information and review of data. Where such documentary evidence could not be collected due to sensitive nature of the information, our team reviewed the same with the relevant authority at the sites visited and at the corporate office.

Conclusions

We have reviewed the selected disclosures in the Sustainability Report of Asian Paints Limited for the FY 2019-20. Based on our review and procedures performed and in line with the boundary, scope and limitations as described above, we conclude that:

Reasonable assurance

Selected sustainability disclosures which have been subjected to reasonable assurance procedures as defined under scope of assurance, are fairly stated, in all material aspects, and are in alignment with the reporting criteria.

Limited assurance

Nothing has come to our attention that causes us to believe that, selected sustainability disclosures, which have been subjected to limited assurance as defined under the scope of assurance, are materially misstated.

Data representation and calculation related errors were detected but the same were resolved during the assurance process. We have provided our observations to the Company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

Independence

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in as per requirements of ISAE 3000 (Revised) standard.

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners)



be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

Responsibilities

Asian Paints Limited is responsible for developing the Report contents. The Company is also responsible for identification of material sustainability topics, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of Asian Paints Limited in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to the Company those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work, for this report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to Asian Paints Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

Prathmesh Raichura
Executive Director
KPMG in India
01-July-2020

STREET Art

In the tenure of the association with St+Art India Foundation for the last six years, we have worked on various street art projects across the country with a mutual hope to make art more accessible to the public. Our aim is to add colour and create a vibrant and happy environment in India.

We support the Foundation and the artists and are extremely proud to be associated with this initiative. We believe this will bring a change and transform the cityscape drastically through art.

Cities covered – Mumbai, Delhi, Goa, Chennai, Coimbatore, Guwahati, Mokochung (Nagaland), Ahmedabad, Patna and Kolkata.



#MoonInMumbai

Asian Paints & Sideways in collaboration with St+Art created a Lunar Dome at Nehru Planetarium. The colossal Moon installation is a tribute to the team at ISRO for their Chandrayaan missions.

This beautiful mural was created as an emblem of hope in the midst of displacement and migration. It is dedicated to inhabitants of the area who had to move from the coast of Kannagi Nagar after the devastating tsunami of 2004.

Kashmira Sarode **Location - Chennai**



Harbouring Hope



'Me/We'

The Me/We mural embodies the idea of kindness, identity, solidarity and belongingness in a community.

St+Art and led by Aravani Art Project. Project in partnership with Facebook AIR. With support from Asian Paints Limited and BMC (Brihanmumbai Municipal Corporation)

Location - Mahim, Mumbai

Encasing numerous species and habitats into a human heart chamber, this mural highlights the connection between the health of our lives and the lives of our ecosystem.

Svabhu Kohli **Location - Goa**



Ocean & Earth

This mural suggests that there is power and light within everything, as a metaphor for the potential within every person.

Alaniz **Location - Patna**



We Are Light

Plastic and fish scales combine together to deliver a hard-hitting message on the conditions of our water bodies, and our impact on the environment.

H11235 **Location - Lodhi Colony, Delhi**



I Am Here





Asian Paints Limited

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Maharashtra 400055

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